ILLINOIS FINANCE AUTHORITY

September 11, 2018
9:30 a.m.

REGULAR MEETING

Michael A. Bilandic Building
160 North LaSalle Street
Suite S-1000
Chicago, Illinois 60601

I.	Call to Order & Roll Call
II.	Approval of Agenda
III.	Public Comment
IV.	Chairman's Remarks
V.	Message from the Executive Director
VI.	Committee Reports
VII.	Presentation and Consideration of New Business Items
VIII.	Presentation and Consideration of Financial Reports
IX.	Monthly Procurement Report
X.	Correction and Approval of Minutes
XI.	Other Business
XII.	Closed Session
XIII.	Adjournment

NEW BUSINESS

TAX-EXEMPT CONDUIT TRANSACTION PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	Staff
Private Activity Bonds - Revenue Bonds ***Final (One-Time Consideration)***						
1	Edward-Elmhurst Healthcare	Elmhurst and Naperville (DuPage County)	$275,000,000	N/A	N/A	PL
2	Roosevelt University	Chicago and Schaumburg (Cook County)	$210,000,000	N/A	N/A	RF/BF
3	TMCF I, LLC	**Illinois**: Arlington Heights (Cook County), Gurnee (Lake County), Oswego (Kendall County), and St. Charles (Kane County); **Georgia**: Woodstock (Cherokee County); **South Carolina**: Fort Mill (York County); and **Texas**: Amarillo (Randall County), Denton (Denton County), Georgetown (Williamson County), and Ft. Worth (Tarrant County)	$178,000,000	N/A	N/A	PL
4	Washington and Jane Smith Community – Orland Park d/b/a Smith Crossing	Orland Park (Will County)	$60,000,000	61	102	PL
TOTAL TAX-EXEMPT CONDUIT TRANSACTION PROJECTS			**$723,000,000**	**61**	**102**	
GRAND TOTAL			**$723,000,000**	**61**	**102**	

RESOLUTIONS

Tab	Action	Staff
Audit, Budget, Finance, Legislation, Investment and Procurement		
5	Resolution Approving and Confirming Various Procurement Matters, Including (I) a Request For Proposals for Investment Management Service Providers, (II) a Contract Amendment with Acacia Financial Group, Inc. (Financial Advisory Services) and (III) a Contract Amendment with Sycamore Advisors, LLC (Financial Advisory Services)	EW/RO

SUBJECT MATTER-ONLY

Tab	Action	Staff
Executive		
6	Status Report on Transformation Initiative	CM

160 North LaSalle Street
Suite S-1000
Chicago, IL 60601
312-651-1300
312-651-1350 fax
www.il-fa.com

Date: September 11, 2018

To: Eric Anderberg, Chairman
Gila J. Bronner
James J. Fuentes
Michael W. Goetz
Neil Heller
Robert Horne
Mayor Arlene A. Juracek
Lerry Knox
Lyle McCoy
Shaun C. Murphy
George Obernagel
Terrence M. O'Brien
Roger Poole
Beth Smoots
Bradley A. Zeller

From: Christopher B. Meister, Executive Director

Subject: ***Message from the Executive Director***

Dear Member of the Authority:

Before we proceed with today's business of the Authority, we should take a moment to reflect upon and remember the tragic events that took place seventeen years ago today.

We are pleased to present on the agenda the issuance of federally tax-exempt conduit bonds that total $723 million for various projects. We welcome three of the Authority's regular borrowers, ***Edward-Elmhurst Healthcare***, ***Roosevelt University*** and ***Washington and Jane Smith Community – Orland Park d/b/a Smith Crossing***. Their projects bring direct and material benefits to the people of Illinois through the financing of hospitals, rehab and skilled nursing services and higher education facilities. We are excited to have a new borrower, ***TMCF I, LLC,*** a controlled affiliate of the Memory Care Foundation, a 501(c)(3) multi-state non-profit which will own and operate memory care facilities. The issuance of bonds for large and complex conduit transactions, such as these, is the core expertise of the Authority's team.

As most of our members recall, we are approaching November 2nd, the one-year anniversary of the introduction in the United States House of Representatives of federal tax legislation that threatened to eliminate the Authority's primary tool: federally tax-exempt conduit transactions. We did not learn until December 15, 2017 that Congress would save the conduit financing vehicle. Nevertheless, Congress eliminated advance refundings which has dramatically reduced the number and volume of bond financings, including conduit bonds, nationally.

In response, we began an effort that has culminated in the Authority's ***Transformation Initiative***, a multi-faceted effort to ensure that the Authority can continue to fulfill its public mission – encouraging economic development and improving quality of life – with tools in addition to conduit bond financings. Our ***Transformation Initiative*** is based upon the four guiding considerations found in the Authority's 2013-2015 Strategic Plan (attached). In the Spring Session of the Illinois General Assembly, we introduced two bills, SB 2773 and SB 43 in connection with the ***Transformation Initiative.*** These bills were passed by bipartisan margins and signed into law by Governor Rauner as described in the attached August 17th Executive Director Message. Our ***Transformation Initiative*** was the cornerstone of the

Authority's Fiscal Year 2019 budget adopted in June 2018. This month, we are pleased to present a status report on the Authority's collective efforts in furtherance of the ***Transformation Initiative***, Tab 6 under Agenda Item VII. This process has moved quickly and we have accomplished much – but there is still more to do.

As always, I look forward to continuing to work with you in support of jobs and financing capital expansion projects throughout our state.

Respectfully,

____
Christopher B. Meister
Executive Director

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Date: August 17, 2018

To: Eric Anderberg, Chairman
Gila J. Bronner
James J. Fuentes
Michael W. Goetz
Neil Heller
Robert Horne
Mayor Arlene A. Juracek
Lerry Knox
Lyle McCoy
Shaun Murphy
George Obernagel
Terrence M. O'Brien
Roger Poole
Beth Smoots
Bradley A. Zeller

From: Christopher B. Meister, Executive Director

Subject: ***Legislative Update – Transformation Initiative***

Dear Member of the Authority:

Today, Governor Rauner signed two important pieces of legislation that will advance the Authority's Transformation Initiative regarding the Property Assessed Clean Energy ("C-PACE") Program and the rejuvenated Participation Loan Program. Both programs are key building blocks of the Authority's Transformation Initiative as we have focused intently on diversifying the revenue sources consistent with our State statutory mission.

SB 2773 – Amendment to the Property Assessed Clean Energy Act allows local units of government to permissively use the Authority to provide strategic state support when seeking to finance Energy Projects by drawing upon the Authority's Public-Private Partnership ("P3") experience in stimulating economic development, and makes certain other changes

SB 2773 amends the Property Assessed Clean Energy Act (50 ILCS 50/1, et seq.). Specifically, the amendment provides that local units of government may assign assessment contracts to any body politic and corporate such as the Authority, any bond trustee for purposes of properly structuring required legal documents, or any warehouse lender for purposes of making interim loans for C-PACE projects.

C-PACE projects are generally small in nature, and thus often uneconomical for purposes of bond financing. Therefore, interim loans (of less than 36 months) made by a warehouse lender (i.e., bank) or a warehouse fund (i.e., established by either a local unit of government or the Authority) allow C-PACE projects to receive immediate interim funding rather than have economic development projects delayed until bond financing can be completed in an economical manner. The pooling of C-PACE assessment contracts together creates economies of scale when issuing a bond.

Issuance of bonds under the otherwise required Special Assessment Supplemental Bond and Procedures Act further complicates the financing of C-PACE projects. By assigning assessment contracts to the Authority, local units of government will realize lower costs and relieve administrative burdens as the Authority issues the bonds under its corporate powers. Importantly, as a statewide body politic and corporate, the Authority can effectively pool assessment contracts across multiple jurisdictions to achieve these economies of scale, lowering costs to commercial property owners, thereby making C-PACE more attractive.

SB 2773 also improves the enforcement provisions of C-PACE assessment contracts under the C-PACE Act, necessary for C-PACE projects to be financeable in general. Other improvements include clarifying what is required when recording a lien with the county clerk as a result of a C-PACE assessment, clarifying that a local unit of government may procure more than one program administrator which will incentivize competition, and clarifying that public hearings required for a local unit of government establishing a C-PACE area must be held by the local unit of government itself.

Finally, while existing law provides that bonds issued under Section 35 of the C-PACE Act are never general obligations of taxpayers, SB 2773 further restricts any bonds issued by the Authority for C-PACE Projects from even utilizing the moral obligation of the State.

SB 43 – Amendment to the Illinois Finance Authority Act to make certain Authority resources available to Authority's Participation Loan Program, clarify certain provisions in relation to the Property Assessed Clean Energy Act, and make certain other changes

SB 43 enables the Authority to further rejuvenate and grow its existing Participation Loan Program by allowing for the more efficient use of underutilized resources, in order to provide improved access to capital and below-market interest rates for credit-disadvantaged start-ups and expanding small businesses, and providing credit risk mitigation via the Authority's subordinated loan participations. Importantly, SB 43 clarifies the existing statutory powers pursuant to which the Authority may make such participation loans. Extra emphasis is being placed on support of veteran, minority, female, and disabled-owned ventures, as well as continuing the Authority's longstanding mission to support farmers and agribusinesses.

SB 43 enables the Authority to continue to offer Agricultural Guarantees as currently provided by law, as well as authorizes the use of funds from the Industrial Project Insurance Fund, (20 ILCS 3501/805-15), the Illinois Agricultural Loan Guarantee Fund; (20 ILCS 3501/830-30) and the Illinois Farmer and Agribusiness Loan Guarantee Fund, (20 ILCS 3501/830-35) to additionally be used to make direct loans or purchase loan participations under Sections 801-40(i) and 801-40(r) of the Illinois Finance Authority Act, (20 ILCS 3501/801-1, et seq.), thus enabling the Authority to maximize the economic and social benefits generated for the State of Illinois by a more rational and efficient use of the financial resources available under the above Funds. Similarly, SB 43 clarifies that the Authority can finance C-PACE projects. This Amendment will enable the Authority to continue to fulfill its mission: providing access to low-cost capital to public and private institutions that are aligned with our mission of fostering economic development, creating and retaining jobs, and improving quality of life for Illinois residents.

Furthermore, SB 43 clarifies that a financeable "project" under the Illinois Finance Authority Act can be a "C-PACE Project" as defined under the Property Assessed Clean Energy Act (50 ILCS 50/). Within this statutory framework, SB 43 provides that the Authority can utilize its available assets to make direct loans for C-PACE Projects, including assets in the Industrial Project Insurance Fund, and similarly apply its experience as a conduit bond issuer for long-term bond financing of C-PACE Projects. Local governments may avail themselves of these financial tools as they seek to lower costs and relieve administrative burdens associated with financing C-PACE Projects. Finally, SB 43 clarifies that the Authority's previous authorization to issue bonds for Clean Coal, Coal, Energy Efficiency and Renewable Energy Projects also includes C-PACE Projects.

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Legislative Debate and Approval

SB 43 passed the Senate (52-1-0) on April 24, 2018. The sole "No" vote was reportedly cast in error by Senator Curran, who later joined as a co-sponsor of SB 2773 after final vote.

The successful, nearly unanimous Senate vote in favor of SB 43 was followed by an uneventful and unanimous vote in the House Revenue & Finance Committee (11-0-0). An unexpectedly lively floor debate on SB 43 then occurred in the House. This debate appears to have been driven by a basic misunderstanding of the C-PACE concept. This misunderstanding appears to have been exacerbated by Representative Ives' vocal opposition to SB 43. SB 43 passed the House by bipartisan roll call vote (64-43-1) on May 22, 2018, with Representatives Andersson, Batinick, Bellock and Olsen voting "Yes."

As a result of the SB 43 debate and vote, Authority staff took two days to educate members of the General Assembly as to the beneficial function and potential positive impact of SB 2773.

SB 2773, which had passed the Senate unanimously on May 2, 2018, passed the House on May 30, 2018 by bipartisan roll call vote (70-43-2), with significant Republican support and straightforward, undramatic floor debate.

Thank You

The Authority owes tremendous gratitude to the Environmental Law & Policy Center and its legislative team, including Allen Grosboll and David McEllis, for advancement of these key building blocks of the Authority's Transformation Initiative in the General Assembly. Their efforts, along with the support of Brad Fletcher and Stan Luboff of our dedicated staff, were critical to the passage of the legislation. Howard Learner, Executive Director of the Environmental Law & Policy Center, expressed his support for SB 2773. "We appreciate the willingness of the IFA to work with Illinois cities and counties to provide bond financing for clean energy projects. The IFA can help local governments reduce their costs, simplify the financing process and expand renewable energy and energy efficiency throughout the state."

The Authority also wishes to thank the General Assembly and Governor Rauner for their commitment to creating greater positive impact on economic development in Illinois through the Authority. It was nearly a decade ago that Treasurer Frerichs, then a State Senator, first introduced legislation pertaining to C-PACE in our great state. Now, under the leadership of the Authority's Board, a state-support C-PACE model will be implemented which represents a crowning achievement as the Board continues it work to proactively advance a plan intended to diversify the revenues and operations of the Authority. Without the leadership of the Authority's Board, this impactful legislation would not be possible.

Welcome to the Authority, Shaun Murphy

On behalf of the Chair, Members and staff of the Authority, we are pleased to welcome Shaun Murphy as the fifteenth volunteer Member of our Board. Shaun, an Evergreen Park CPA who earned his accounting degree from the University of Illinois at Urbana - Champaign in 2001, will be a strong addition to the Board as he is a forensic accountant with Moody's CPA's & CFE's specializing in fraud investigations of insurance claims, litigation support, and risk exposure forecasts for distressed surety contractors. He's been with the company since 2004.

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ILLINOIS FINANCE AUTHORITY

Shaun has been active in civic and community affairs. Specifically, he's the Worth Township (Cook County) assessor and a member of the Board of Education for Evergreen Park Community High School, where he served as President from 2015-17.

As always, I look forward to continuing to work with you in support of jobs and financing capital expansion projects throughout our state.

Respectfully,

Christopher B. Meister
Executive Director

IFA

ILLINOIS FINANCE AUTHORITY

STRATEGIC PLAN
FISCAL YEARS 2013—2015

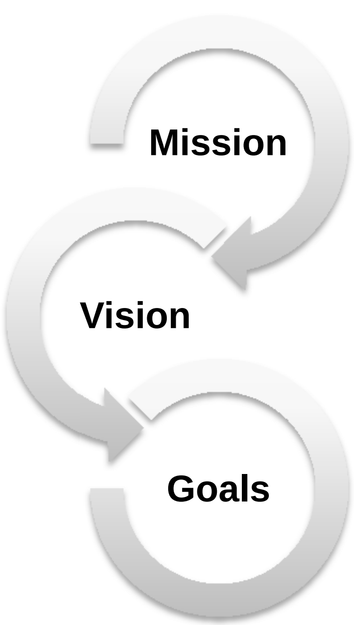
Contents

Introduction

The Illinois Finance Authority (the "IFA") is an Illinois body politic and corporate that provides capital asset financing to 501(c)(3) non-profit organizations and private-sector companies that retain and create jobs. A construct of federalism, the IFA is the primary Illinois delivery system for federal tax benefits that support lower interest rate financing of capital projects by qualified borrowers under the federal tax code (also known as "conduit debt"). In addition to issuing conduit debt, the IFA administers certain State-backed loan guarantee and credit enhancement programs as well as a limited number of direct and participation loan programs to support businesses and essential purpose infrastructure for local governments.

There are a number of challenges on the horizon that necessitate a broadening of the IFA's current strategic focus. The IFA needs to identify new programs and invest in new expertise to ensure long-term operational sustainability in an era of increased economic challenges. Over the past three years, the IFA has completed multiple rounds of cost-cutting initiatives. However, it is now vital that the IFA evaluate potential profitable, revenue-generating opportunities that leverage the organization's strengths.

In August 2011, the IFA initiated a strategic planning process that engaged its Board, staff and outside stakeholders to evaluate the competitive strengths as well as the best opportunities to maximize the value that the IFA can add in supporting job retention and creation in Illinois. The strategic planning process was led by IFA Board Member Heather D. Parish and IFA Executive Director Christopher B. Meister and included an analysis of the IFA's existing programs. The end result is a strategic plan that will ensure the long-term success of the IFA as a leading public financial institution.



To Provide Access to Capital to Public and Private Institutions that:

- Create and Retain Jobs
- Foster Economic Development
- Improve Quality of Life

The IFA strives to Strengthen Illinois' Infrastructure through Responsible Innovations in Finance and Public-Private Partnerships, in addition to Conduit Bond Finance that is supported by a Robust Post-issuance Compliance Framework.

1. Strengthen and Diversify Product Offering
2. Improve Stewardship of Financial and Human Capital
3. Expand Partnership with Governor and State and Federal Agencies
4. Enhance Accountability, Transparency and Flow of Information

Challenges

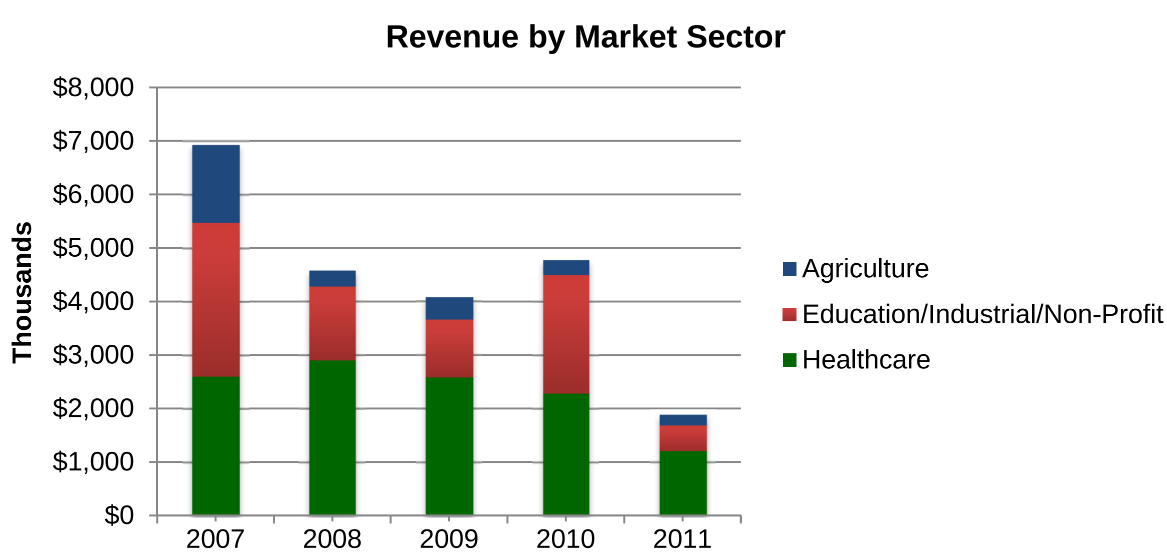
Federally tax-exempt conduit debt represented 98 percent of the total dollar value of IFA's program activity between Fiscal Year ("FY") 2009 and FY 2011. See Appendix III for the FY 2009-2011 Program Analysis. As IFA's core revenue source, federally tax-exempt financing faces a trifecta of unprecedented challenges: existential, regulatory and economic.

There is likely to be ongoing pressure at the federal-level to restrict or eliminate federally tax-exempt conduit financing in order to reduce the federal budget deficit. Any reduction or limitation on tax-exempt bond financing will have a material adverse effect on IFA's primary job retention and creation tool. Needless to say, this would diminish one of IFA's competitive advantages as a conduit issuer with statewide jurisdiction.

Additionally, expanded regulatory efforts by the Internal Revenue Service and the Securities & Exchange Commission could increase the compliance costs associated with conduit debt, thus reducing its viability as a job retention and creation tool.

Furthermore, efforts by the Federal Reserve to keep short-term interest rates low have temporarily reduced the effectiveness of tax-exempt conduit bonds as a job retention and creation tool. Difficult economic conditions have dissuaded borrowers from making capital investment decisions that require long-term conduit debt. Tax-exempt municipal market issuance volume fell to historically low-levels in the recent economic downturn. Certain proposed federal and State efforts to reduce deficits are expected to reduce funding for non-profit organizations which will further limit their debt capacity.

Every sector in which the IFA currently operates faces unprecedented challenges including, increased regulation, government deficit control, global competition and forecast for limited economic growth over the next several years.



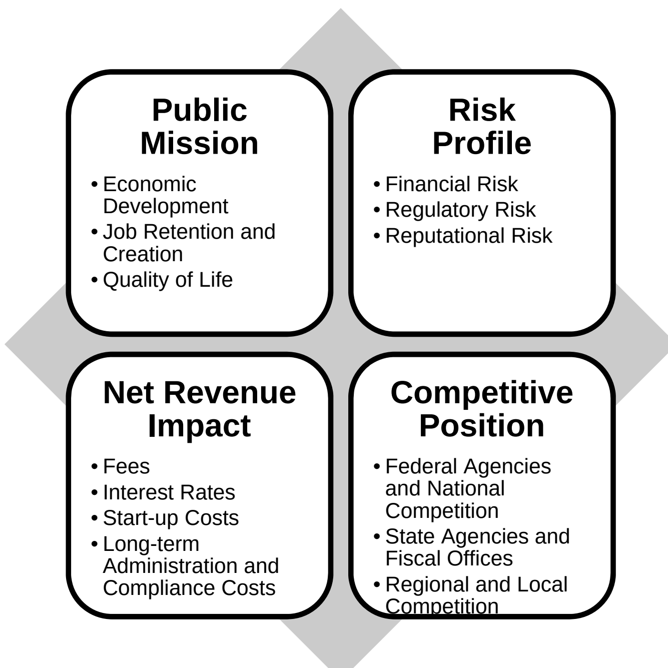
Strategic Goals

The IFA has developed four strategic goals that it will use to guide investments and asset allocations going forward. Each strategic goal includes action items and evaluation criteria that will facilitate the effective implementation of this strategic plan.

1 Strengthen and Diversify Product Offering

- ### Establish a Framework to Evaluate New Programs

The IFA will evaluate proposed initiatives through a four-point test: (i) appropriateness to public mission; (ii) evaluation of risk; (iii) evaluation of competitive position; and (iv) net revenue impact.



Additionally, the viability of future programs will be assessed by evaluating funding capacity from the IFA or other available resources. Financing products should be replicable and funded adequately to generate a minimum of 20 to 30 closed projects in order to be both marketed and managed effectively by the IFA. Financing products that cannot be replicated may be developed selectively on a pilot basis.

- **Eliminate Inactive Programs and Consolidate Related Programs**

The IFA markets 30 programs on its website, many of which have not closed a transaction since FY 2009. It is time to streamline the IFA's product offerings. The IFA will work with its Board and the Illinois General Assembly, where applicable, to eliminate:

- Motion Picture Production Program;
- Emerald Ash Borer Revolving Loan Program;
- E.D.A. Title IX Restricted RLF; and
- Other inactive programs.

Inactive or unviable programs create an unnecessary compliance burden on the IFA's staff and also result in increased audit expenses that compound over time.

Additionally, as part of the IFA's efforts to reinvigorate its long-standing agricultural guarantee programs, the IFA will combine its Young Farmer and Farm Purchase guarantee programs.

2 Improve Stewardship of Financial and Human Capital

- **Maintain Adequate Reserves against Financial Risk**

The IFA will construct reserves for each of its agricultural guarantee programs, which are backed by the Illinois Farmer and Agri-business Loan Guarantee Fund, the Illinois Agricultural Loan Guarantee Fund and the Industrial Revenue Bond Insurance Fund, based on a widely-used methodology.

Currently, the IFA maintains a 1:1 reserve ratio due to recent payoffs on several guarantees. This is too high. Over the past 8 fiscal years, the default rate for these programs has been 0.27 percent.

Program	Number of Loans	Default Amount	Percentage of Total Default Amount
Original Guarantee	1	$431,998	22.85%
Specialized Livestock	4	$460,232	24.35%
Ag Industry	2	$998,168	52.80%
TOTAL	7	$1,890,398	100%

After having surveyed several banks, the IFA recommends establishing a reserve policy for its agricultural guarantee portfolio based on a conservative loan-to-value ratio method:

- 5 percent reserve for loans with a loan-to-value ratio above 70 percent;
- 3 percent reserve for loans with a loan-to-value ratio between 50 and 70 percent; and
- 1 percent reserve for loans with a loan-to-value ratio less than 50 percent.

Further, the IFA will augment reserves for two of its guarantee programs with the greatest financial exposure: Specialized Livestock and Ag Industry. It will add an additional 10 percent reserve for a loan to one borrower, who represents 75 percent of the Ag Industry portfolio and an additional 5 percent reserve for the entire Specialized Livestock portfolio, where collateral is less likely to be farmland.

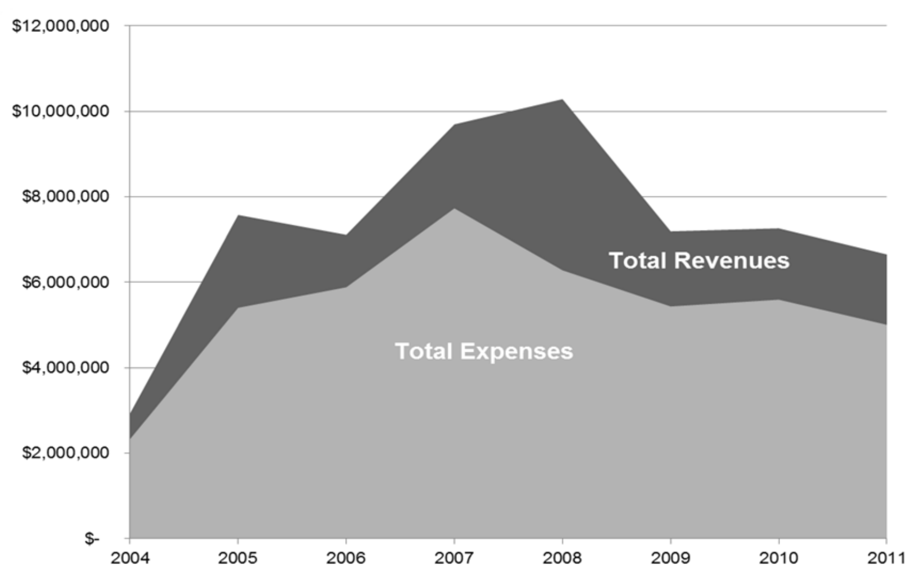
Combining these adjustments, the IFA will reserve approximately $2 million for its agricultural guarantee portfolio, which will provide the IFA capacity to approve an additional $18 million in guarantees.

As for the IFA's participation loan portfolio, the IFA will continue to reserve 100 percent of the total outstanding balance of delinquent loans, in addition to a 5 percent reserve of the entire participation loan portfolio. As of May 31, 2012, the loan loss provision for this portfolio was approximately $1.3 million.

Lastly, the IFA will continue to judiciously monitor outstanding IFA bonds secured by the State of Illinois' moral obligation as well as any new proposals to use the IFA's moral obligation issuance authority.

- **Secure Operating Reserves for Three Years**

The IFA will set-aside approximately $12 million in operating reserves for the next 36 months. In a time of economic recession and budgetary crisis at the State, local and national levels, it is vital that the IFA have sufficient reserves to sustain its current operations.



- ## Actively Manage Funds

The IFA will procure an investment manager to improve investment return on its available funds pursuant to the Accountability for the Investment of Public Funds Act. As of May 31, 2012, the amount held by the IFA was approximately $62 million. The asset allocation of the IFA's investments is:

	Book Value	Book Yield	Percentage of Portfolio
Money Market Accounts	$40,448,599	.11%	65.21%
Bank Certificates	$85,000	.45%	.14%
Repurchase Agreements	$21,497,034	.03%	34.65%
TOTAL	$62,030,633		100%

The IFA has accumulated several funds – some from predecessor authorities and others from participating in federal programs. See Appendix I for the description of each fund. As of May 31, 2012, the balance of each fund was:

State Held	**Ambulance Revolving Loan Fund** **$3,484,538**	**Fire Truck Revolving Loan Fund** **$4,432,552**	**Illinois Farmer and Agri-business Loan Guarantee Fund** **$7,743,993**	**Illinois Agricultural Loan Guarantee Fund** **$10,027,323**
Cannot Be Co-Mingled	**Renewable Energy Development Fund** **$587,050**	**EDA Title IX Restricted Revolving Loan Fund** **$749,059**	**Rural Development Revolving Loan Program** **$1,979,077**	**Rural Bond Bank Bond Fund** **$9,147,307**
Can Be Co-Mingled	**Credit Enhancement Development Fund** **$609,250**	**Illinois Housing Partnership Program** **$1,828,305**	**IRBB Special Reserve Fund** **$2,661,375**	**Industrial Revenue Bond Insurance Fund** **$11,649,624**
			General Operating Fund **$41,966,891**	

The IFA received an American Recovery and Reinvestment Act grant (not shown above) from the Illinois Department of Commerce and Economic Opportunity ("DCEO") to set-up a credit enhancement program for renewable energy and energy efficiency projects.

To clearly understand the IFA's cash balances and how they can be deployed in the future to support program activity, these balances need to be disaggregated into:

- IFA's General Fund (Unrestricted); and
- IFA's Restricted Funds for Specific Programs.

- **Invest in Professional Development and Subject Matter Expertise**

The IFA will continue to invest in professional development of its current staff and consider the addition of subject matter experts. Currently, the IFA's existing competencies include, but are not limited to:

- Marketing, originating and closing conduit 501(c)(3) revenue bonds; and
- Assessing fixed asset capital expansion projects for manufacturers, distributors and other businesses.

Moreover, the IFA must address existing gaps, which include:

- Insufficient operational capacity to fully comply with State and federal laws and regulations;
- Inadequate administrative and legal capacity to originate, service and work-out direct loans across the State; and
- Insufficient internal capacity to analyze infrastructure and local government credit.

- **Implement Managerial Cost Accounting**

The IFA will implement managerial cost accounting to demonstrate accountability, improve program performance and, most importantly, allocate human capital more efficiently.

3 Expand Partnership with Governor and State and Federal Agencies

- **Support the Governor's Illinois Jobs Agenda**

The IFA will partner with Governor Quinn on his Illinois Jobs Agenda to put the people of Illinois to work today and develop Illinois' workforce for jobs tomorrow. Already, the IFA is facilitating the Governor's jobs goals by financing higher education and affordable housing projects and working with the Illinois Environmental Protection Agency on his Clean Water Initiative.

Additionally, the IFA will partner with its sister State agencies on infrastructure, transportation and energy projects. The IFA will continue to work with the Illinois Department of Central Management Services, the Capital Development Board and DCEO on an energy efficiency financing program based on performance contracting. The IFA will also work with the Illinois Department of Transportation on leveraging private capital, expertise and efficiency through public-private partnerships.

4 Enhance Accountability, Transparency and Flow of Information

- ### Annually Reexamine and Reenact Policies and Handbooks

The IFA will annually reexamine and reenact its policies and handbooks to reduce audit exposure from outdated or inapplicable mandates. These include:

- Policies & Procedures Manual
- Bond Handbook
- Employee Handbook
- By-Laws Resolution
- Omnibus Resolution

The IFA will also continue to work with the Illinois General Assembly to amend the Illinois Finance Authority Act so that it reflects the actual mission and operation of the IFA.

- ### Move Towards a Paperless Office Environment

The Moving Towards Paperless initiative consists of (i) the adoption of paper reduction policies, (ii) the acquisition and use of paper reduction technologies, and (iii) the implementation of a records management program.

The IFA will consider the implementation of online applications as a next step.

- ### Improve Data Access for Board, Staff and Stakeholders

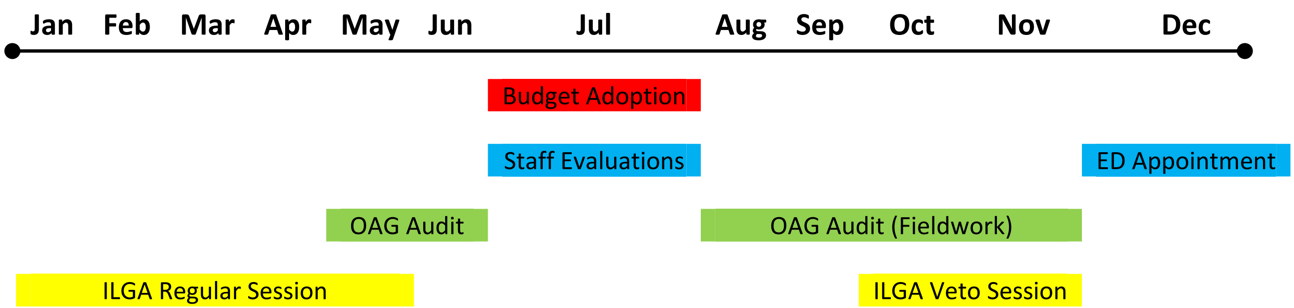
The Easy Data Access project consists of (i) the acquisition of a new bond and loan database management system, (ii) the integration of existing procurement and accounting databases, and (iii) the implementation of data reporting and mapping applications.

Appendix I: Fund Descriptions

Name	Description
Ambulance Revolving Loan Fund	This fund is used to account for the activity of the Ambulance Revolving Loan Program as authorized by Public Act 94-829 (20 ILCS 3501/825-85). The program provides zero-interest loans for the purchase of Ambulances by fire departments, fire protection districts, or non-profit ambulance services based on need as determined by the State Fire Marshal. SB3373 provides the needed flexibility to make this program sustainable and predictable.
Credit Enhancement Development Fund	The IFA's Treasurer and Assistant Treasurer shall have custody of the fund which shall be held outside the State Treasury. Custody may be transferred to and held by any fiduciary with which IFA executes a trust agreement. All or any portion of such amounts may be used (i) to pay principal, interest and premium, if any, on bonds issued by the IFA or to fund any reserves or accounts created for such purpose, (ii) to pay the cost of any letter of credit, insurance or third party guarantee provided with respect to any bond issued by the IFA or loan made by IFA, (iii) to guarantee or otherwise enhance the credit of any bond issued by the IFA or loan made by the IFA, or (iv) to make loans to any person, corporation or unit of local government for any project authorized to be financed by IFA under this Act.
E.D.A. Title IX Restricted RLF	This fund is used by the IFA to account for the activity of the Revolving Loan Program capitalized by an Economic Adjustment Assistance Grant awarded to the Illinois Department of Commerce and Economic Opportunity. This fund provides low-cost supplemental financing to manufacturing companies located in areas declared eligible for Title IX assistance by the Economic Development Administration of the U.S. Department of Commerce.
Fire Truck Revolving Loan Fund	This fund is used to account for the fire truck revolving loan program authorized by Public Act 94-221 as a continuation and re-enactment of the fire truck revolving loan program enacted by Public Act 93-35 (20 ILCS 3501/825-80). The program provides zero interest loans for the purchase of fire trucks by fire departments, fire protection districts, or township fire departments based on need, as determined by the State Fire Marshal. SB3373 provides the needed flexibility to make this program sustainable and predictable.
General Operating Fund	The operating fund of the IFA which receives all revenues from program applications. All administrative expenses for establishing and monitoring the IFA's programs are paid out of this fund as set forth in Public Act 93-205 (as originally established by Public Act 83-669).
Illinois Agricultural Loan Guarantee Fund	The IFA is authorized to issue State Guarantees for farmers' existing debts held by a lender, as set forth in Public Act 93-205 (as originally established by Public Act 84-1027, as amended). The State Treasurer shall be custodian of this fund. All payments by IFA shall be made from the Illinois Agricultural Loan Guarantee Fund to satisfy claims against the State Guarantee Loan Program.
Illinois Farmer and Agri-business Loan Guarantee Fund	The IFA is authorized to issue State Guarantees to a lender for loans to eligible farmers and agri-business, as set forth in Public Act 93-205 (originally established by Public Act 84-1027, 87-1268 and 89-527, all as amended). The State Treasurer shall be the custodian of this Fund. All payments by the IFA shall be made from the Illinois Farmer and Agri-business Loan Guarantee Fund to satisfy claims against the State Guarantee Loan Program.
Illinois Housing Partnership Program	This program assists in financing housing improvements for low and moderate income residents. It provides zero-interest loans to municipalities for rehabilitation of affordable multi-unit housing. This fund consisted of a $5,000,000 appropriation of State funds from the Build Illinois Bond Fund held by the State Treasury as set forth in Public Act 93-205 (as originally established by Public Act 84-110). The costs of operating and administering the program in excess of program income are met by the IFA with resources from the General Operating Fund.
Industrial Revenue Bond Insurance Fund	The operating fund of the IFA which accounts for the activity of the Industrial Project Insurance Fund Program was established to give small and midsize businesses access to Industrial Revenue Bond funds at advantageous rates as set forth in Public Act 93-205 (as originally established by Public Act 83-965) (20 ILCS 3501/805-15). Additionally, the IFA is authorized to make payments on State Guarantees from the Industrial Revenue Bond Fund pursuant to SB3719.

IRBB Special Reserve Fund	This fund accounts for the funds which were received as a result of appropriations by the State by the Illinois Rural Bond Bank prior to its merger with the IFA. The monies in this fund may be used for any lawful purpose under the IFA Act, including the payment of principal and interest on moral obligation bonds.
Renewable Energy Development Fund	This fund is used to account for the activity of the IFA's Renewable Energy Development Loan Program. The program provides loans and loan guarantees to qualified farmers and farmer co-operatives who construct wind turbines for use as alternative energy. This program was funded by a $2,000,000 grant received from the Illinois Clean Energy Community Foundation.
Rural Bond Bank Bond Fund	This fund is a reserve fund into which is deposited (i) all money appropriated by the State for the purposes of the fund, (ii) all proceeds of bonds required to be deposited into the fund by the terms of any contract between the IFA and its bondholders or any resolution of the IFA with respect to the proceeds of bonds, (iii) any other money or funds of the IFA which it determines to deposit in the fund, and (iv) any other money made available to the IFA for the purposes of the fund from any other source(s). Money in this fund is to be held and applied solely to the payment of the interest on and principal of bonds issued by the Illinois Rural Bond Bank or the IFA, as its successor, and sinking fund payments related thereto. Money may not be withdrawn from the fund if the withdrawal would reduce the amount in the fund to an amount less than required debt service reserve (20 ILCS 3501/820-15).
Rural Development Revolving Loan Program	The operating fund of the IFA which accounts for the activity of loans received under the Farmer's Home Administration Intermediary Relending Program and was established to provide a source of monies for direct loans to business facilities and community development projects in rural areas as set forth under the loan agreement and Public Act 93-205 (as originally established by Public Act by 83-669).

Appendix II: FY 2013-2015 Timeline



FY 2013

- May: Peoria Office Lease Expiration
- Jul: Board Member Term Expiration (Gold; Leonard; Poole; Zeller)
- Jul-Jun: Internal Audit Testing
- Nov: Presidential and ILGA General Elections

FY 2014

- Jul: Board Member Term Expiration (Parish; Pedersen)
- Mar: Gubernatorial and ILGA Primary Elections

FY 2015

- Jul: Board Member Term Expiration (Bronner; Goetz; O'Brien)
- Aug: Chicago Office Lease Expiration
- Nov: Gubernatorial and ILGA General Elections

CONDUIT

September 11, 2018

$275,000,000
Edward-Elmhurst Healthcare

Request	**Purpose**: Bond proceeds will be used by Edward-Elmhurst Healthcare ("**EEH**") ("the **Borrower**") to: (i) refund all of the outstanding Illinois Finance Authority ("**IFA**") Taxable Series 2013A Bonds issued on behalf of Elmhurst Memorial Healthcare ("**EMH**"), the proceeds of which were used to refund certain other revenue bonds of the IFA issued to finance and refinance the costs of acquiring, constructing, remodeling, renovating and equipping certain health care facilities of EMH, (ii) refund the IFA Series 2013C and 2013D Bonds, the proceeds of which were used to refund certain other revenue bonds of the IFA issued to finance and refinance the costs of acquiring, constructing, remodeling, renovating and equipping certain health care facilities of EMH and (iii) to pay certain expenses incurred with the issuance of the Series 2018 Bonds. **Program**: Conduit 501(c)(3) Revenue Bonds **Extraordinary Conditions**: There are two separate bond resolutions: one for the taxable bridge bond and one for the tax-exempt publicly offered bonds.
BOARD ACTIONS	Final Bond Resolution *(One-time consideration).*
MATERIAL CHANGES	None. This is the first time this project has been presented to the IFA Board of Directors.
JOB DATA	8,125 Current jobs — N/A New jobs projected N/A Retained jobs — N/A Construction jobs projected
DESCRIPTION	Location: Naperville/DuPage County/Northeast, Elmhurst/DuPage County/Northeast

Edward-Elmhurst Healthcare is an Illinois not-for-profit corporation that was organized to coordinate the health care and related activities of the Edward-Elmhurst Health System (EEH System). In addition to exercising overall control over the EEH System, the Corporation provides administrative and operational support to organizations in the EEH System. Significant affiliates include the following:

Edward Hospital (EH). Located at 801 S. Washington Street in Naperville, Illinois, EH is a 349-bed acute care facility that provides a full range of inpatient and outpatient diagnostic and treatment services. It was the first hospital in Illinois to offer all private rooms, and it was the first hospital in Illinois to open a medically-based fitness center, which is located on its Naperville campus. EH owns two four-story medical office buildings ("MOBs") adjacent to the hospital. In 2005, Edward opened a comprehensive outpatient cancer center adjacent to the hospital and MOBs, which offers infusion, radiation therapy, PET/CT, and various cancer support services.

Elmhurst Memorial Hospital (EMH). Located at 155 East Brush Hill Road, EMH is a 259-bed acute care facility that provides a full range of inpatient and outpatient diagnostic and treatment services. In addition to EMH, the Brush Hill campus includes William G. Parillo the Center for Health, a 183,000 square foot comprehensive outpatient center which is connected to EMH. The Center for Health houses a full range of programs, including an outpatient surgery center, outpatient clinics (e.g. wound, pain, diabetes, and weight loss), chronic disease clinics (e.g. Heart Failure, Atrial Fibrillation, Chronic Obstructive Pulmonary Disease and Pneumonia), outpatient radiology and ancillary testing, rehabilitation, lab services, and physician practices. In November 2013, the Nancy W. Knowles Cancer Center opened adjacent to the Center for Health which offers infusion, radiation therapy, PET/CT, Cyberknife, and various cancer support services.

EMH was designed focusing on patient centered care and a healing environment. All patient rooms are private and most are equipped with ceiling mounted lifts. All rooms have been standardized and are same sided to promote staff and physician efficiency. The facility has consistently been selected by Soliant Health as one of the most beautiful hospitals in the United States.

In March of 2012 construction was completed on a 50,000 square foot four story medical office building connected to EMH on the west side of the campus (the "West MOB"). The West MOB was developed by a real estate developer pursuant to a ground lease with EMHC.

Linden Oaks Hospital (LOH). LOH is an 85,000 square foot, 108 inpatient bed facility located on EH's Naperville, campus, with five additional outpatient locations offering partial hospitalization and intensive outpatient programs located in Naperville, Plainfield, Hinsdale, Mokena and St. Charles. LOH services adolescents, adults, and older adults suffering from mental illness and substance abuse. LOH has been accredited by the Joint Commission with a Gold Seal of Approval for Depression, Anxiety, Eating Disorders, Bi-Polar, Chemical Dependency, Dementia and Self-Injury. LOH employs interdisciplinary teams ranging from psychiatrists, advanced practice clinicians, nurses, therapists, and support staff.

SECURITY

- Collateral is expected to include a pledge of the System's unrestricted receivables that secure all obligations the System issues under its Master Trust Indenture.

CREDIT INDICATORS

- Current ratings for Edward-Elmhurst Hospital are 'A' stable and 'A' stable from S&P and Fitch, respectively. The Borrower expects the ratings to be confirmed as part of this financing.

STRUCTURE

- Taxable bridge bonds will be used to refund the 2013A bonds in the amount of approximately $80 million. The bonds will be purchased by Bank of America Merrill Lynch and is expected to be refinanced by a taxable floating rate structure consisting of Variable Rate Demand Obligations backed by a Barclays Bank PLC letter of credit.

- The approximately $140 million in tax-exempt fixed-rate bonds will be sold in a public offering underwritten by Bank of America Merrill Lynch and Barclays refunding the 2013C and 2013Ds.

- The approximately $55 million in tax-exempt floating rate bonds will be issued in a public offering underwritten by Bank of America Merrill Lynch refunding the 2013C and 2013Ds.

- Bonds will mature no later than 2048.

SOURCES AND USES

Sources:		Uses:	
IFA Taxable Bridge Bonds Series 2018	$80,000,000	Refund the EMH Series 2013A	$80,000,000
Total	**$80,000,000**	**Total**	**$80,000,000**

Sources:		Uses:	
IFA Series 2018A and B Tax-Exempt Bonds	$195,000,000	EMH Series 2013C and 2013D	$190,000,000
		Cost of Issuance & Contingency	$5,000,000
Total	**$195,000,000**	**Total**	**$195,000,000**

RECOMMENDATION

Credit Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
PROJECT SUMMARY REPORT
September 11, 2018

Project: Edward-Elmhurst Healthcare

STATISTICS

Project Number:	12434	Amount:	275,000,000 (Not-to-Exceed)
Type:	501(c)(3) Bonds	IFA Staff:	Pam Lenane
Location:	Naperville, Elmhurst	County/Region:	DuPage/Northeast, DuPage/Northeast

BOARD ACTION

Final Bond Resolution (*One-time consideration*)
Conduit 501(c)(3) Revenue Bonds
Credit Committee recommends approval.

No IFA Funds at Risk
Extraordinary Conditions – There are two separate resolutions: one for the taxable bridge bonds and one for the tax-exempt publicly offered bonds.

VOTING RECORD

This is the first time this project is being presented to the IFA Board of Directors.

PURPOSE

Bond proceeds will be used by Edward-Elmhurst Healthcare ("**EEH**") ("the **Borrower**") to: (i) refund all of the outstanding Illinois Finance Authority ("**IFA**") Taxable Series 2013A Bonds issued on behalf of Elmhurst Memorial Healthcare ("**EMH**"), the proceeds of which were used to refund certain other revenue bonds of the IFA issued to finance and refinance the costs of acquiring, constructing, remodeling, renovating and equipping certain health care facilities of EMH, (ii) refund the IFA Series 2013C and 2013D Bonds, the proceeds of which were used to refund certain other revenue bonds of the IFA issued to finance and refinance the costs of acquiring, constructing, remodeling, renovating and equipping certain health care facilities of EMH and (iii) to pay certain expenses incurred with the issuance of the Series 2018 Bonds.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds paid to bondholders, thereby reducing the Borrower's interest expense.

VOLUME CAP

501(c)(3) bond issues do not require Volume Cap.

JOBS

Current employment:	8,125	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	N/A

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		**Uses:**	
IFA Taxable Bridge Bonds Series 2018	$80,000,000	Refund the EMH Series 2013A	$80,000,000
Total	**$80,000,000**	**Total**	**$80,000,000**

Sources:		**Uses:**	
IFA Series 2018A and B Tax-Exempt Bonds	$195,000,000	EMH Series 2013C and 2013D	$190,000,000
		Cost of Issuance & Contingency	$5,000,000
Total	**$195,000,000**	**Total**	**$195,000,000**

FINANCING SUMMARY

Security: Collateral is expected to include a pledge of the System's unrestricted receivables that secure all obligations the System issues under its Master Trust Indenture.

Structure: Taxable bridge bonds will be used to refund the 2013A bonds in the amount of approximately $80 million. The bonds will be purchased by Bank of America Merrill Lynch and is expected to be refinanced by a taxable floating rate structure consisting of Variable Rate Demand Obligations backed by a Barclays Bank PLC letter of credit.

The approximately $140 million in tax-exempt fixed-rate bonds will be sold in a public offering underwritten by Bank of America Merrill Lynch and Barclays refunding the 2013C and 2013Ds.

The approximately $55 million in tax-exempt floating rate bonds will be issued in a public offering underwritten by Bank of America Merrill Lynch refunding the 2013C and 2013Ds.

Bonds will mature no later than 2048.

Interest Rate: To be determined the day of pricing.

Interest Mode: Fixed Rate and Floating Rate

Credit Enhancement: No

Maturity: Bonds will mature no later than 2048.

Rating: Current ratings for Edward-Elmhurst Hospital are 'A' stable and 'A' stable from S&P and Fitch, respectively. The Borrower expects the ratings to be confirmed as part of this financing.

Estimated Closing Date: October 1, 2018 (Series 2018 taxable) and November 2, 2018 (Series 2018 tax-exempt)

PROJECT SUMMARY

Bond proceeds will be used by Edward-Elmhurst Healthcare ("**EEH**") ("the **Borrower**") to: (i) refund all of the outstanding Illinois Finance Authority ("**IFA**") Taxable Series 2013A Bonds issued on behalf of Elmhurst Memorial Healthcare ("**EMH**"), the proceeds of which were used to refund certain other revenue bonds of the IFA issued to finance and refinance the costs of acquiring, constructing, remodeling, renovating and equipping certain health care facilities of EMH, (ii) refund the IFA Series 2013C and 2013D Bonds, the proceeds of which were used to refund certain other revenue bonds of the IFA issued to finance and refinance the costs of acquiring, constructing, remodeling, renovating and equipping certain health care facilities of EMH and (iii) to pay certain expenses incurred with the issuance of the Series 2018 Bonds.

BUSINESS SUMMARY

Edward-Elmhurst Healthcare is an Illinois not-for-profit corporation that was organized to coordinate the health care and related activities of the Edward-Elmhurst Health System (EEH System). In addition to exercising overall control over the EEH System, the Corporation provides administrative and operational support to organizations in the EEH System. Significant affiliates include the following:

Edward Hospital (EH). Located at 801 S. Washington Street in Naperville, Illinois, EH is a 349-bed acute care facility that provides a full range of inpatient and outpatient diagnostic and treatment services. It was the first hospital in Illinois to offer all private rooms, and it was the first hospital in Illinois to open a medically-based fitness center, which is located on its Naperville campus. EH owns two four-story medical office buildings ("MOBs") adjacent to the hospital. In 2005, Edward opened a comprehensive outpatient cancer center adjacent to the hospital and MOBs, which offers infusion, radiation therapy, PET/CT, and various cancer support services.

Elmhurst Memorial Hospital (EMH). Located at 155 East Brush Hill Road, EMH is a 259-bed acute care facility that provides a full range of inpatient and outpatient diagnostic and treatment services. In addition to EMH, the Brush Hill campus includes William G. Parillo the Center for Health, a 183,000 square foot comprehensive outpatient center which is connected to EMH. The Center for Health houses a full range of programs, including an outpatient surgery center, outpatient clinics (e.g. wound, pain, diabetes, and weight loss), chronic disease clinics (e.g. Heart Failure, Atrial Fibrillation, Chronic Obstructive Pulmonary Disease and Pneumonia), outpatient radiology and ancillary testing, rehabilitation, lab services, and physician practices. In November 2013, the Nancy W. Knowles Cancer Center opened adjacent to the Center for Health which offers infusion, radiation therapy, PET/CT, Cyberknife, and various cancer support services.

EMH was designed focusing on patient centered care and a healing environment. All patient rooms are private and most are equipped with ceiling mounted lifts. All rooms have been standardized and are same sided to promote staff and physician efficiency. The facility has consistently been selected by Soliant Health as one of the most beautiful hospitals in the United States.

In March of 2012 construction was completed on a 50,000 square foot four story medical office building connected to EMH on the west side of the campus (the "West MOB"). The West MOB was developed by a real estate developer pursuant to a ground lease with EMHC.

Linden Oaks Hospital (LOH). LOH is an 85,000 square foot, 108 inpatient bed facility located on EH's Naperville, campus, with five additional outpatient locations offering partial hospitalization and intensive outpatient programs located in Naperville, Plainfield, Hinsdale, Mokena and St. Charles. LOH services adolescents, adults, and older adults suffering from mental illness and substance abuse. LOH has been accredited by the Joint Commission with a Gold Seal of Approval for Depression, Anxiety, Eating Disorders, Bi-Polar, Chemical Dependency, Dementia and Self-Injury. LOH employs interdisciplinary teams ranging from psychiatrists, advanced practice clinicians, nurses, therapists, and support staff.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Edward-Elmhurst Healthcare 801 West Washington Naperville, IL 60566
Contact:	Jeff Friant, Vice President, Finance
Website:	www.eehealth.org
Borrower:	Edward-Elmhurst Healthcare
Board Members:	Edward-Elmhurst Healthcare Board Members: Ron Schubel, Chair Dave Atchison, Vice Chair Elizabeth Aquino David Brueggen Sean Chou Joe DePaulo Mary Kay Ladone Rocco Martino Mary Lou Mastro Ron Nyberg Robert Platt Tim Rivelli Ram Shivakumar

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Timothy G. Lawler, Ltd.	Hinsdale	Tim Lawler
Bond Counsel:	Chapman and Cutler LLP	Chicago	Mike Mitchell
Financial Advisor:	Kaufman Hall & Assoc	Skokie	Terri Wareham
Underwriter:	BofA Merrill Lynch	Chicago	Ken Vallrugo
Underwriter:	Barclays	Chicago	Joe Hegner
Underwriter Counsel:	Dentons	Chicago	Mary Wilson
IFA Counsel:	Katten Muchin Rosenman	Chicago	Chad R. Doobay
IFA Financial Advisor:	Acacia Financial Group Inc.	Chicago	Phoebe Selden Siamac Afshar

LEGISLATIVE DISTRICTS (Edward Hospital, Naperville, IL)

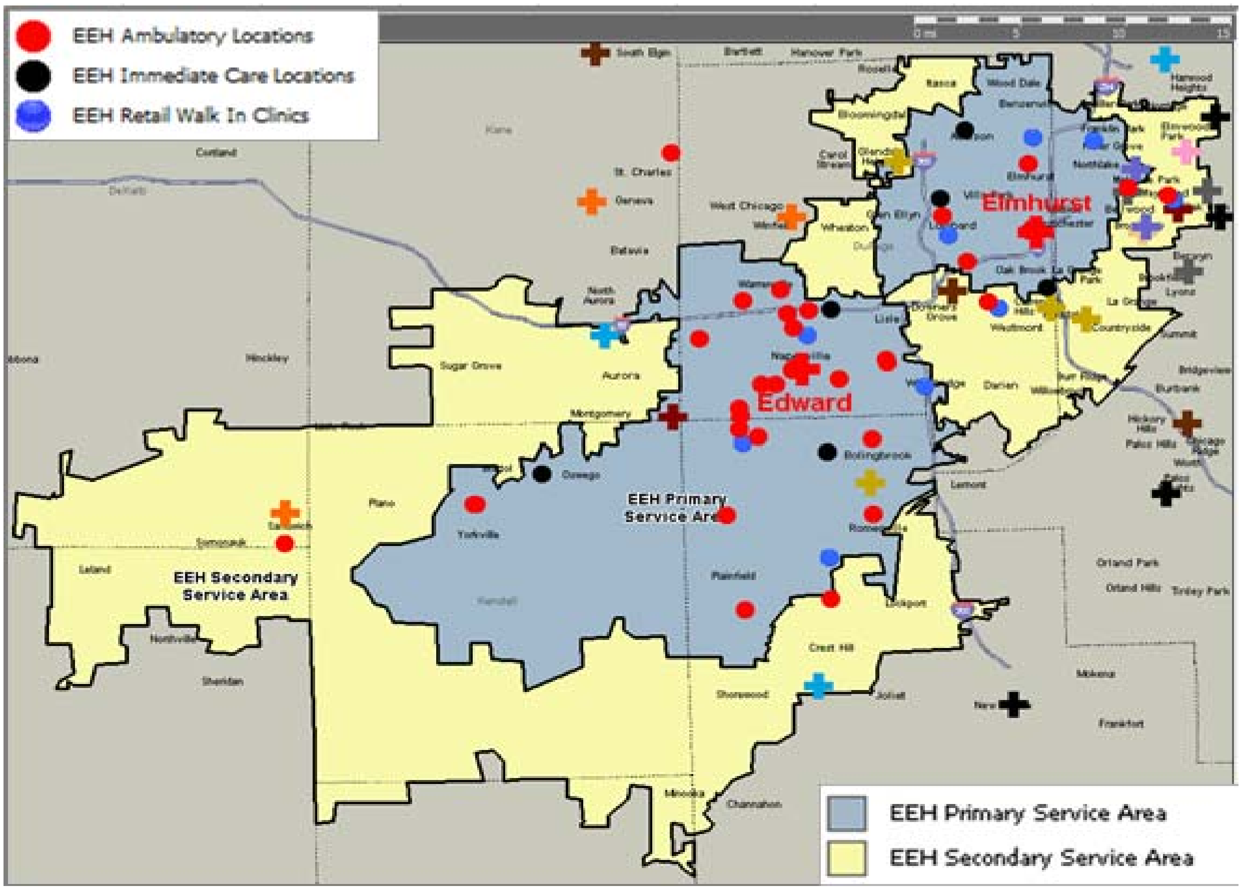
Congressional:	11th District: Bill Foster
State Senate:	21st District: Mike Connelly
State House:	41st District: Grant Wehrli

LEGISLATIVE DISTRICTS (Elmhurst Hospital, Elmhurst, IL)

Congressional:	5th District: Mike Quigley
State Senate:	24th District: Chris Nybo
State House:	47th District: Patti Bellock

SERVICE AREA

The EEH System services a population of nearly 2.0 million residents from DuPage, Will, and Cook counties, with additional representation from Kane and Kendall counties. The EEH System's Primary Service Area (PSA) – the area from which EH, EMH, and LOH draw roughly seventy-five percent (75%) of inpatient (IP) admissions – stretches approximately 42 miles from Yorkville to Bensenville. EEH's three hospitals are all located in DuPage County, with EH located approximately 17 miles east of EH and LOH (which are located on the same campus). The service area map below illustrates the geographic footprint of the EEH System.



CONDUIT

$210,000,000 (not-to-exceed amount in Final Bond Resolution)
Roosevelt University

September 11, 2018

REQUEST – APPROVAL OF THE ACCOMPANYING FINAL BOND RESOLUTION	**Purpose:** Bond proceeds will be loaned to Roosevelt University, an Illinois not for profit corporation (the "**University**" or "**Roosevelt**"), potentially in multiple series and subseries, to provide all or a portion of the funds necessary to (i) finance, refinance or reimburse various capital improvements of the University at or near 18-28 South Michigan Avenue (the "**Gage Building**"), Chicago, Illinois, 421-425 South Wabash Avenue, Chicago, Illinois (the "**Wabash Building**"), 430 South Michigan Avenue, Chicago, Illinois (the "**Auditorium Theatre Building**"), 501 South Wabash Avenue, Chicago, Illinois (the "**Goodman Center**") and 1400 North Roosevelt Boulevard, Schaumburg, Illinois (the "**Schaumburg Campus**"; and collectively with the other project sites, the "**Series 2018 Project**"); (ii) refund all or a portion of the Illinois Finance Authority Revenue Bonds, Series 2007 (Roosevelt University Project) (the "**Series 2007 Bonds**"); (iii) refund all or a portion of the Illinois Finance Authority Revenue and Refunding Bonds, Series 2009 (Roosevelt University Project) (the "**Series 2009 Bonds**" and together with the Series 2007 Bonds, the "**Refunded Bonds**"); (iv) fund one or more debt service reserve funds for the benefit of the Bonds; and (v) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Refunded Bonds, all as permitted under the Illinois Finance Authority Act, as supplemented and amended (the "**Act**"). *Also see "Project Summary" section on pp. 10-11.* The educational facilities being financed and refinanced from the proceeds of the Bonds are (i) owned and operated by the University and (ii) located on land and/or properties owned by the University at or near 18-28 South Michigan Avenue, Chicago, Illinois (Gage Building), 421-425 South Wabash Avenue, Chicago, Illinois (Wabash Building), 430 South Michigan Avenue, Chicago, Illinois (Auditorium Building), 501 South Wabash Avenue, Chicago, Illinois 60605 (Goodman Center), and 1400 North Roosevelt Boulevard, Schaumburg, Illinois 60173 (Schaumburg Campus). **Program:** 501(c)(3) Revenue Bonds **Extraordinary Conditions:** None. No IFA Funds at risk. No State Funds at risk.
BOARD ACTION	Final Bond Resolution (*One-time consideration*)
MATERIAL CHANGES	This is the first time this matter has been considered by the IFA Board of Directors.
JOB DATA (PURSUANT TO THE UNIVERSITY'S 2017 EMMA FILING)	1,011 Current jobs (FT & PT) N/A New jobs projected N/A Jobs Retained N/A Construction Jobs
BORROWER DESCRIPTION	● Locations: Chicago and Schaumburg (Cook County/Northeast Region) ● Type of entity: Roosevelt University is a private co-educational, non-sectarian institute of higher education established in 1945. ● Roosevelt enrolled approximately 4,500 students (undergraduate and graduate) at its campuses in Chicago and Schaumburg. Approximately 78% of FY 2017 credit hours were provided at its Loop Campus. The Schaumburg campus is home to the University's School of Pharmacy and its doctoral program in Industrial-Organizational Psychology.
CREDIT INDICATORS	● Roosevelt's outstanding debt is currently rated by Moody's and Fitch. The University's IFA Series 2009 Bonds are currently rated 'Ba3' / 'BB' (Moody's/Fitch) and its IFA Series 2007 Bonds are currently rated 'B1' / 'BB' (Moody's/Fitch) as of 8/31/2018. ● The Series 2018 Bonds, as contemplated, will be privately placed to institutional investors (initial sale and secondary market resale will both be limited to Accredited Investors and/or Qualified Institutional Buyers) on a non-rated basis in minimum denominations of $100,000 by **Wells Fargo Securities** (the "**Underwriter**"). ● **Note**: The non-rated Bonds will be sold pursuant to Bond Purchase Agreement(s) and Investor Letter(s) that will satisfy all existing IFA Bond Program Handbook policies so no policy exceptions will be necessary. *Additional information describing Roosevelt's credit ratings history is presented on pp. 5-6.*
STRUCTURE	● The Bonds will be underwritten by Wells Fargo Securities to current refund (on a fixed rate tax-exempt basis) all-or-a-portion of: (i) the IFA Series 2009 Bonds (which are expected to be refunded in full by the IFA Series 2018A Bonds, which will close concurrently with the Series 2018B Bonds but will not settle and fund until July 2019 or later (i.e., the Series 2018A Bonds will not be "funded", in any event, more than 90 days prior to the 10/1/2019 call date on the Series 2009 Bonds), and (ii) the IFA Series 2007 Bonds (for which the Series 2018B Bonds are expected to refund a portion (i.e., $7.74MM)

of the approximately $40MM outstanding balance of the IFA Series 2007 Bonds on a tax-exempt basis. (As described elsewhere throughout this report, the remaining balance of the Series 2007 Bonds will remain outstanding and continue to be rated by Moody's and Fitch.)

● Interest Rate: It is contemplated that the Series 2018 Bonds will be sold as fixed rate tax-exempt bonds over multiple maturities, with a final maturity date set approximately 40 years from the date of issuance.

● Maturity: approximately 40 years

SOURCES AND USES (PRELIMINARY ESTIMATES – SUBJECT TO CHANGE)

Sources (Bond Amounts reported below are Net of Estimated Original Issue Discount)**:**		**Uses** (Rounded to nearest $5,000 multiple)**:**	
Series 2018ABonds (To be sold on a "Forwards" basis in late September; will fund and settle in July 2019 (or later); Proceeds expected to current refund 100% of Series 2009 Bonds + DSRF + U/W + COI)	$180,860,000	Refunding Escrow - IFA Series 2007 Bonds	$7,740,000
*Series 2018B Bonds (Refund a portion ($7.74MM) of $40MM balance of Series 2007 Bonds + DSRF + U/W + COI)	8,650,000	Refunding Escrow – 2009 Bonds	175,290,000
		Debt Service Reserve Fund	16,115,000
Equity:	13,420,000	Underwriting	2,945,000
		Costs of Issuance	840,000
Total	**$202,930,000**	**Total**	**$202,930,000**

* Upon issuance of the Series 2018B Bonds, the remaining outstanding balance of the Series 2007 Bonds is expected to range between approximately $33MM and $35MM.

Upon sale of the University's office condominium interest in the Gage Building (~126,000 SF), the University will apply sales proceeds to further pay down the outstanding balance of the Series 2007 Bonds.

Note on 2009 appraisal of Gage Building office condominium as reported in 2009 Official Statement: In the IFA Series 2009 Official Statement, the University reported that an October 14, 2009 appraisal by Integra Realty Resources, Inc., of the University's approximately 126,000 SF condominium interest in the Gage Building property at 18-28 S. Michigan Ave. estimated a $15.2MM fair market value (at that time).

RECOMMENDATION

Project Review Committee recommends approval of a Final Bond Resolution for this financing (in substantially the form presented to the IFA Board under separate cover).

ILLINOIS FINANCE AUTHORITY
PROJECT SUMMARY REPORT
September 11, 2018

INFORMATIONAL – PRELIMINARY, SUBJECT TO CHANGE

Project: Roosevelt University

STATISTICS

IFA Project:	12438	Amount:	$210,000,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	Chicago and Schaumburg	County/ Region:	Cook / Northeast

BOARD ACTION

Final Bond Resolution (*One-time consideration*)	No IFA funds at risk
Conduit 501(c)(3) Revenue Bonds	No extraordinary conditions

Project Review Committee recommends approval of a Final Bond Resolution (in substantially the form presented to the IFA Board under separate cover).

VOTING RECORD

This is the first time this matter has been considered by the IFA Board of Directors.

PURPOSE

The Borrower and financing team currently anticipate that the Series 2018 A Bonds will be issued on a "Forwards" basis (i.e., the Bond Purchase Agreement to be executed at closing will provide for "forward" pricing of Bonds now that will be funded and settled in mid-to-late 2019) and will current refund 100% of the outstanding balance of the University's IFA Series 2009 Bonds effective 10/1/2019.

The Borrower and financing team currently anticipate that the Series 2018B Bonds will current refund a portion (i.e., $7.74MM) of the University's IFA Series 2007 Bonds (as of 8/31/2018, the University anticipates refunding approximately $7.74MM of the approximately $40MM outstanding balance).

The purpose of the proposed Refunding Bonds is to extend the current final maturity dates and amortize the outstanding debt over a longer period of time, enabling the University to attain a more level debt service payment schedule going forward. Additionally, the refinancing will provide for a significant reduction in scheduled debt service payments beginning in FY 2021 (when annual principal payments are otherwise scheduled to increase by approximately $2.0 million per annum).

The proposed debt restructuring to be accomplished through the sale of the Series 2018 Bonds will be supplemented by the University's efforts to consolidate its real estate holdings by consolidating operation at its Wabash Building (421-425 S. Wabash Ave.) and Auditorium Building (430 S. Michigan Ave.) enabling the University to sell approximately 126,000 SF of University-owned office condominium space in the Gage Building (18-28 S. Michigan Ave.).

The University plans to apply proceeds from its Gage Building office condominium sale to pay down a portion of the unrefunded balance of its Series 2007 Bonds thereby helping to deleverage the University's Balance Sheet. (Series 2007 Bond proceeds allocable to the Gage Building space will not be refunded with proceeds of the Series 2018 Bonds.) *Also see p. 2 (below comments on Sources and Uses of Funds and pp. 5-6 under the "Rational" section for additional information.*

Hence, the proposed Refunding and associated asset sale (for debt reduction) are being undertaken to significantly reduce (and level) the University's future scheduled debt service payments thereby improving future debt service coverage ratios.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are municipal bonds authorized under the Internal Revenue Code that enable 501(c)(3) corporations to finance capital projects furthering support of their mission. The IFA's issuance of these Bonds will convey federal tax-exempt status on interest paid to bondholders, thereby enabling bondholders to accept a below market interest rate that is passed through to the borrower.

VOLUME CAP

501(c)(3) Bonds do not require Volume Cap.

FINANCING SUMMARY

Structure – *Private Placement; Investor Letter; Restrictions on Transfers*: It is anticipated that the Series 2018 Bonds will be sold by **Wells Fargo Securities** (the "**Underwriter**") on a private placement basis pursuant to the Bond Indentures; provided that each bond purchaser (the "Purchaser") shall deliver an investor letter to the Authority (in the form approved by counsel to the Authority and consistent with the Authority's Bond Program Handbook requirements, as amended and supplemented) stating, among other things, that such Purchaser is either (1) and institutional "**Accredited Investor**" within the meaning of Regulation D, Sections 501 through 506, or a "**Qualified Institutional Buyer**" within the meaning of Rule 144A, under the Securities Act of 1933, as amended.

Additionally, the Bond Indentures shall contain such restrictions, as counsel to the Authority shall reasonably determine are necessary or advisable, on the transfer of the Series 2018 Bonds by the Purchaser or bay any Accredited Investor or Qualified Institutional Buyer to which the Purchaser transfers the Series 2018 Bonds.

<u>Note: No exception to any IFA Bond Program Handbook provision is being requested at this time</u>. *Furthermore, any exception to such policy would require this financing to return to the IFA Board for consideration*. Nevertheless, in the event the Series 2018 Bonds are subsequently rated and assigned an investment grade rating, it is expected that the Loan Agreement will be drafted to provide appropriate covenants that would permit the Series 2018 Bonds to be sold to non-institutional (i.e., non-AI, non-QIB) investors under appropriate specified conditions.

Bondholder Security: The Series 2018 Bondholders will be secured by (i) a general unrestricted revenue pledge of the University and (ii) a mortgage on the University's real estate holdings, including substantially all of the University's real estate holdings in Chicago and Schaumburg (with the notable exception of the University's Gage Building office condominium (at 18-28 S. Michigan Ave.) which is currently listed for sale).

Interest Rate: The Bonds are expected to be sold with 3 maturities (approximately 20-years; 30-years; and 40-years). The Bonds are ultimately expected to be sold on a discount structure and priced to maturity. Anticipated coupons ranged between 5.75% and 6.50% as of 8/27/2018.

Maturity: The not-to-exceed final maturity parameter specified in the Final Bond Resolution will be 40 years. (Additionally, the Borrower and the Borrower's financial advisor (Columbia Capital Management, LLC) anticipate that the Refunding will provide for maturities of up to 40 years.)

Ratings: Although the Series 2018 Refunding Bonds will be sold on a non-rated basis (and privately placed by Wells Fargo Securities, as Underwriter, with sale and resale restricted to Accredited Investors and Qualified Institutional Buyers), the University plans to maintain its Moody's and Fitch debt ratings on the remaining outstanding balance of its Series 2007 Bonds (anticipated at between $33MM and $35MM upon issuance of the Series 2018B Bonds) through the scheduled final maturity date of 4/1/2037.

Below are the University's (1) current ratings on its IFA Series 2007 and IFA Series 2009 Bonds as of 8/31/2018 and (2) a report on the original ratings assigned by Moody's and Fitch at the time of initial sale of the Series 2007 Bonds (December 2007) and Series 2009 Bonds (December 2009).

Current Long-Term Debt/Issue Ratings and most recently reported ratings actions for the IFA Series 2009 Bonds and the IFA Series 2007 Bonds– as of 8/27/2018:

IFA Series 2009 Bonds:

- Moody's: 'Ba3'
  - Moody's downgraded from Ba1 (Negative Outlook) to Ba3 (Negative Outlook) effective 6/29/2018
- Fitch: 'BB'
  - Fitch affirmed the University's 'BB' Rating on the Series 2009 Bonds as of 2/15/2018 but revised the Outlook to Negative from Stable

IFA Series 2007 Bonds:

- Moody's: 'B1'
  - Moody's downgraded from 'Ba2' (Negative Outlook) to 'B1' (Negative Outlook) effective 6/29/2018
- Fitch: 'BB'
  - Fitch affirmed the University's 'BB' Rating on the Series 2007 Bonds as of 2/15/2018 but revised the Outlook to Negative from Stable

Original Long-Term Debt/Issue Ratings – IFA Series 2009 Bonds and IFA Series 2007 Bonds:

IFA Series 2009 - $183,645,000 (Principal Amount at Issuance as of 12/9/2009)

- Moody's: 'Baa2'
- Fitch: 'BBB+'

IFA Series 2007 - $45,490,000 (Principal Amount at Issuance as of 12/4/2007)

- Moody's: 'Baa1'
- Fitch: 'A-'

Links to EMMA Disclosures on Roosevelt University's Debt Ratings History and filings related to its Series 2009 and Series 2007 Bonds, respectively:

Series 2009 Bonds:
https://emma.msrb.org/Security/Details/A29B0F9BE40E7D3C754C6C6B5EA0407AF

Series 2007 Bonds:
https://emma.msrb.org/Security/Details/A39B38EDE4DB32D5E308FE36B9613B6CA

Maintenance of Bond Ratings on Series 2007 Bonds: As noted in the "Ratings" section on pp. 4-5, the University intends to maintain its Moody's and Fitch Ratings on the Series 2007 Bonds while any portion of the Series 2007 Bonds remain outstanding (the final maturity date of the Series 2007 Bonds is 4/1/2037).

University's intent to undertake a Continuing Disclosure Obligation on the Series 2018 Bonds: The University also plans to execute a Continuing Disclosure Agreement on the Series 2018 Bonds that will commit the University to undertake EMMA postings on the Series 2018 Bonds throughout the proposed 40-year life of the Bonds.

Estimated Closing Date: September 2018

Rationale: The University is undertaking the proposed Series 2018 Refunding to normalize and level its scheduled debt service payment over time and, specifically (i) eliminate a scheduled "step-up" in scheduled principal amortization beginning in FY 2021 and (ii) produce immediate budgetary relief over the next 2-3 fiscal years. The final maturity date of the Series 2018A Bonds is expected to be 40 years from the date of issuance (compared to 4/1/2044 of the Series 2009 Bonds to be refunded with the Series 2018A proceeds).

The outstanding Series 2007 Bonds and Series 2009 Bonds were each sold in minimum denominations of $5,000 (based on the University's investment grade credit ratings at the time of initial sale). Accordingly, the existing Series 2007 and Series 2009 Bonds were original eligible to be purchased by retail (i.e., non-institutional) investors.

Because the new, Series 2018 Bonds will be sold in minimum denominations of $100,000 subject to Investor Letters that will limit both initial sale and secondary market resale of the Series 2018 Bonds to Accredited Investors and/or Qualified Institutional Buyers, none of the Series 2018 Bonds will be eligible for purchase by retail investors.

Subsequent to (i) the issuance and funding of the IFA Series 2018 Refunding Bonds the University expects between approximately $33MM and $35MM of its Series 2007 Bonds will remain outstanding (and rated in the market). The University's estimated bond debt outstanding (net of unamortized bond discount and bond issuance costs) was approximately $216MM as of 8/31/2018.

Anticipated Partial Refunding of the Series 2007 Bonds and Impact of Future Gage Building Sale on O/S Balance: The University and its working group anticipate refunding $7.74MM of the approximately $40MM currently of Series 2007 that remain outstanding. Upon sale of the Gage Building office condominium (126,000 SF), the University expects to apply net proceeds to further reduce the outstanding balance of its Series 2007 Bonds (to approximately $25MM), depending on the net sale proceeds realized.

Following the redemption of the Series 2009 Bonds, the remaining balance of the University's Series 2007 Bonds (initially estimated at $33MM to $35MM prior to sale of the Gage Building) will be the only Roosevelt debt that will remain (i) publicly traded and (ii) subject to ongoing ratings surveillance by Moody's and Fitch.

BUSINESS SUMMARY

Background: **Roosevelt University** ("**Roosevelt**" or the "**University**") is a private, non-sectarian, Illinois not-for-profit institution of higher education with campuses located in downtown Chicago and in Schaumburg (located SW of the I-290/I-90 (Jane Adams Tollway) interchange). The University was established in 1945 and was named in honor of both former President Franklin D. Roosevelt and First Lady Eleanor Roosevelt. The University is incorporated as a 501(c)(3) corporation for federal income tax purposes.

The University is governed by a 31-member Board of Trustees (see pp. 12-13). Additionally, there are 7 Life Trustees and 3 Honorary Trustees.

Additional organizational units of the University whose financial results are consolidated with the University (but whose resources *are not* pledged to secure the Series 2009 Bonds include (i) the *Auditorium Theatre of Roosevelt University, Inc. ("Auditorium Theatre of RU, Inc.")*, an Illinois not-for-profit corporation (ii) *Roosevelt University Development Corporation* ("*RUDC*") which was created on November 28, 2010 by Roosevelt University as a non-profit wholly-owned subsidiary to pursue a New Markets Tax Credit financing structure to finance construction of the *Lillian and Larry Goodman Center ("Goodman Center"),* an on-campus athletic facility, and (iii) related to the 2010 NMTC financing, the University acquired *RUDC State SPE, LLC* ("*RUDC SPE*"), relating to the unwinding of the 2010 NMTC financing (the proceeds of which financed a portion of the construction cost of the Goodman Center athletic facility located at 501 S. Wabash Ave.).

As presented in the University's most recent EMMA-posted audit report (FYE 8/31/2017), assets of these additional consolidated units (i.e., Auditorium Theatre of RU, Inc., RUDC, and RUDC SPE) represented less than 15% of unrestricted Net Assets and less than 6% of the University's Total Net Assets. Additionally, the assets and financial resources of these non-University reporting entities (whose results are included in the University's consolidated financing statements) are not pledged to secure the IFA Series 2009.

Description: The University was initially chartered as Thomas Jefferson College on March 28, 1945 and had financial backing from Marshall Field III, the Julius Rosenwald Foundation, the International Ladies' Garment Workers Union, and numerous others. Two weeks later, President Franklin D. Roosevelt died. The college obtained his widow Eleanor's permission to rename the institution as Roosevelt College in President Roosevelt's memory (and later rededicated to both Franklin and Eleanor in 1959).

The University is a four-year university with campuses in the Loop and Schaumburg. The University's stated mission has been "to make higher education available to all academically qualified students regardless of their background".

Facilities and Physical Expansion:

- **In 1947, Roosevelt purchased the historic Auditorium Building at 430 S. Michigan Ave. which has housed the University's Chicago classes since that time and numerous administrative offices.** The Auditorium Building also houses the Auditorium Theatre of Roosevelt University.
- **In August 1996, the University opened its Albert A. Robin Campus in Schaumburg (occupying 225,000 SF on approximately 27 acres of land which repurposed a portion of the former regional headquarters facility of the Union Oil Company of California (after a donation from Mr. Albert A. Robin).** The Schaumburg campus is home to the University's Doctor of Pharmacy program, which accepted its inaugural class in July 2011 and received full accreditation in 2014. The Schaumburg campus is also home to the University's Industrial-Organizational Psychology Ph.D. program.
- **In 2007, the University expanded its downtown Chicago footprint by acquiring approximately 126,000 SF of office condominium space in the Gage Building located at 18-28 S. Michigan Avenue.** *Acquisition of condominium space in the Gage Building was partially financed with a portion of the proceeds of a $45.49MM IFA bond issue (December 5, 2007).* Note: <u>The University currently has this property listed for sale and has relocated both classroom space and administrative offices located therein to its Wabash Building (421-425 S. Wabash) and Auditorium Building (430 S. Michigan Ave.).</u>

- **In 2011, the University opened the Lillian and Larry Goodman Center (the "Goodman Center" is located at 501 S. Wabash Ave., (SE corner of E. Congress Pkwy. and S. Wabash Ave).** The Goodman Center is a two-story, 27,834-gross-square-foot athletic facility field house featuring a multi-purpose gymnasium on the second floor and first-floor space containing offices, meeting rooms, a team lounge, locker rooms, an athletic training room, and a strength and conditioning center. The Goodman Center is home to the University's intercollegiate athletic teams. (The University's soccer team plays its home matches at Toyota Park in Bridgeview.).
- **In 2012, the University opened its new, 32-story downtown campus facility at 421-425 S. Wabash Avenue, known as the "Wabash Building".** The Wabash Building is the second-tallest higher education building in the U.S. and the sixth tallest in the world. The Wabash Building serves as a "vertical campus" and is a multi-purpose building hosting (i) classrooms, (ii) science labs, (iii) administrative offices, and (iv) approximately 600 beds of student residences (located on floors 14-32), with shared lounges overlooking Lake Michigan on each floor). *The Wabash Building was partially financed (development cost of approximately $123MM according to published reports) with proceeds of an approximately $183.64MM IFA bond issue (December 9, 2009).*

Note: in August 2017, the University sold its ownership interest in the 1729-bed University Center Chicago student housing facility (located at the SE corner of E. Congress Parkway and S. Wabash Avenue. (The University Center project was owned by the Educational Advancement Fund, Inc. ("EAF"), a joint venture that was co-owned by Roosevelt University, DePaul University, and Columbia College Chicago.)

Academics, Faculty, and Student Body:

The University offers undergraduate (73 majors and 38 minors) and graduate degrees (46 graduate programs and 3 doctoral programs) through five colleges: the College of Arts and Sciences, the Heller College of Business, the Chicago College of Performing Arts, the College of Education, and the College of Pharmacy.

- <u>The top 10 undergraduate majors in Fall 2017 were</u>: Psychology; Biology; Musical Theater, Hospitality & Tourism Management; Management; Criminal Justice; Accounting; Integrated marketing Communications; Marketing; and Computer Science.

- <u>The 10 most popular degree programs for Graduate Students in Fall 2017 were:</u> MBA, Pharmacy (PharmD), Clinical Psychology (MA); Clinical Psychology (PsyD); Industrial/Organizational Psychology (MA); Human Resources Management (MSHRM); Computer Science (MS); Clinical Mental Health Counseling (MA); Accounting (MSA); Integrated Marketing Communications (MS).

According to the University's website for academic year 2017-2018, the University:

- posted enrollment (headcount) of 4,457 for the 2017-2018 academic year, comprised of 2,514 undergraduate students and 1,943 graduate and doctoral students;
- had 2,018 full-time faculty, with 87% of full-time faculty holding a Ph.D. degree or equivalent;
- posted a student/faculty ratio of 11:1; and
- had an average class size of approximately 19.

Accreditation:

The University is accredited as a Higher Education University by the Higher Learning Commission of the North Cent4ral Association of Colleges and Schools.

Additionally, specialized academic programs have also received program-specific accreditation focusing on the curriculum, faculty resources, and specific methods of assessment for a specific academic and/or professional discipline. Currently held professional accreditations include:

- Accreditation Council for Pharmacy Education (ACPE)
- American Bar Association
- American Chemical Society
- American Psychological Association (PSYD)
- Association of Collegiate Business Schools and Programs
- Council for Accreditation of Counseling and Related Education Programs
- Council for the Accreditation of Educator Preparation
- Illinois Veterans Commission
- National Association of Schools of Music

Press Recognition regarding Campus Diversity:

Roosevelt has been ranked as the third most higher education institution in the Midwest in the 2018 edition of the *U.S. News & World Report Annual Guide to Colleges* while Niche.com ranked Roosevelt the 9th most diverse institution in Illinois in 2018 with the sixth-best residence hall in Illinois.

Key Management: About Roosevelt's (1) President (Dr. Ali R. Malekzadeh) and (2) Chief Financial Officer (Mr. Andrew Harris):

- **Dr. Ali R. Malekzadeh (Ph.D.) – President**: Since becoming Roosevelt's President in 2015, Malekzadeh has worked to raise over $37 million for student scholarships and grants, and continues to stabilize enrollments. He is a strong advocate for faculty research and innovation, established a Professional Mentoring Program for students, and created a Chicago-area council for diversity and inclusion.

  Under Malekzadeh's leadership, Roosevelt has expanded services for veterans and students with disabilities, and focused on new programs for multicultural students. Prior to Roosevelt, Malekzadeh served as the Edgerley Family Dean of the College of Business Administration at Kansas State University, where he increased annual fundraising from an average of $2 million to more than $40 million, and led the business college in raising funding for a new business education building.

  Before becoming dean at Kansas State in 2011, Dr. Malekzadeh spent a combined 13 years as dean of the business schools at Xavier University in Cincinnati and St. Cloud State University in St. Cloud, Minnesota. At St. Cloud State, Dr. Malekzadeh also served for one year as interim vice president for academic affairs. He previously held key administrative positions at Arizona State University West in Phoenix and taught strategic management at Northeastern University in Boston.

  Dr. Malekzadeh earned his doctorate in business administration with an emphasis on strategic management from the University of Utah, and a bachelor's in management and Masters in Business Administration from the University of Denver.

- **Mr. Andrew Harris – Vice President and Chief Financial Officer:** Mr. Harris joined Roosevelt as Chief Financial Officer on June 1, 2018. Mr. Harris is a senior financial and operational leader with more than 25 years in the higher education, non-profit and government sectors, including both higher education and the military. Mr. Harris has served public and private universities at the vice president level in finance, budgeting, treasury/cash operations, technology and general administration. Mr. Harris' higher education career began in Boston University ("BU"), where he worked 14 years and assisted in the transformation of BU from a commuter school to a comprehensive university with membership in the Association of American Universities. Subsequently, Mr. Harris joined the University of Chicago ("UofC") as associate vice president and university budget director, where he was also involved in bond issues to fund expansion of the UofC's physical plant.

Mr. Harris' UofC tenure was punctuated by an overseas tour of duty with his military unit, the first of two deployments in his career. Mr. Harris ultimately attained the rank of colonel, commanded an infantry brigade combat team, and recently retired from the Vermont Army National Guard for which he last served as chief of staff.

Following his military deployment, Mr. Harris joined the University of North Texas ("UNT"), where he served in a dual role as (1) vice chancellor for finance of the UNT System and (2) vice president for finance and administration at the flagship campus, where he had regular and sustained interaction with governing boards, legislative bodies and a variety of external entities important to public higher education in Texas.

During Mr. Harris' nearly 6½-year tenure at UNT and UNT System his accomplishments included:

1. Attaining a double upgrade of the bond rating from A1 to Aa2 (Moody's).
2. Securing financing large-scale campus building projects including: (a) a football stadium, (b) business school, (c) student union and (d) other campus infrastructure projects.
3. Implementing a long-term investment pool that added millions in unrestricted cash to the operating budget of UNT.

Mr. Harris is a graduate of the Boston University Questrom School of Business and the U.S. Army War College, having earned an MBA and a Master's degree in strategic studies.

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Roosevelt University, an Illinois not for profit corporation (the "**University**"), has requested that the Authority issue not to exceed $210,000,000 (excluding original issue discount and premium, if any) in aggregate principal amount of revenue bonds consisting of (i) one or more series or subseries of Revenue Bonds (Roosevelt University) Series 2018A that will initially bear interest at a fixed, tax-exempt rate but will issued on a "forwards" basis (i.e., the Series 2018A Bonds priced at the time of closing to fund no more than 90 days prior to the 10/1/2019 call date on the Series 2009 Bonds; the "**Series 2018A Bonds**") and (ii) one or more series or subseries of Revenue Bonds (Roosevelt University) Series 2018B initially bearing interest at fixed, tax-exempt rates (the "**Series 2018B Bonds**" and together with the Series 2018A Bonds, the "**Series 2018 Bonds**"), and to loan the proceeds thereof to the University, in order to assist the University in providing all or some of the funds necessary to do any or all of the following: (i) refund all or a portion of the Illinois Finance Authority Revenue Bonds, Series 2007 (Roosevelt University Project) (the "**Refunded Series 2007 Bonds**"); (ii) refund all or a portion of the Illinois Finance Authority Revenue and Refunding Bonds, Series 2009 (Roosevelt University Project) (the "**Refunded Series 2009 Bonds**"); (iii) refinance all or a portion of the University's Taxable Subordinate Bonds, Series 2018, if necessary or desirable by the University (the "**Taxable Subordinate Bonds**", and together with the Refunded Series 2007 Bonds and the Refunded Series 2009 Bonds, the "**Refunded Bonds**"); (iv) fund one or more debt service reserve funds for the benefit of the Series 2018 Bonds, if deemed necessary or desirable by the University; and (v) pay certain expenses incurred in connection with the issuance of the Series 2018 Bonds and the refunding of the Refunded Bonds, all as permitted by the Illinois Finance Authority Act (the "**Act**").

The educational facilities being financed and refinanced from the proceeds of the Bonds are (i) owned and operated by the University and (ii) located on land owned by the University at or near 18-28 South Michigan Avenue, Chicago, Illinois (and commonly referred to as the "Gage Building"), 421-425 South Wabash Avenue, Chicago, Illinois (and commonly referred to as the "Wabash Building"), 430 South Michigan Avenue, Chicago, Illinois (and commonly referred to as the "Auditorium Building"), 501 South Wabash Avenue, Chicago, Illinois (and commonly referred to as the "Goodman Center") and 1400 North Roosevelt Boulevard, Schaumburg, Illinois (the "Schaumburg Campus").

Original Uses of the Bonds to be Refunded (or Partially Refunded) with Proceeds of the Series 2018 Bonds:

- **IFA Series 2007 Bonds - $45,490,000 Original Par Amount (Roosevelt University Project):** The proceeds of the Series 2007 Bonds were used to finance, refinance or reimburse the University for the costs of acquiring, constructing, renovating, improving, furnishing and equipping certain of its "educational facilities" (as defined in the Act), and more specifically described as (i) the acquisition, renovation, new construction/build-out, and equipping of certain floors (approximately 126,000 square feet) of the Gage Building located at 18-28 South Michigan Avenue, Chicago, Illinois; (ii) the acquisition, demolition and site clearing of structures relating to the Fine Arts Annex building and the Herman Crown Center located at 421-425 South Wabash Avenue, Chicago, Illinois; (iii) various renovations, including upgrades and replacements, to the Auditorium Building's HVAC system located at 430 South Michigan Avenue, Chicago, Illinois; (iv) various life safety improvements, as well as other renovations and remodeling, at the Auditorium Building, located at 430 South Michigan Avenue, Chicago, Illinois; (v) the acquisition of certain land (approximately 14,100 square feet) and related development rights located at 501 South Wabash Avenue, Chicago, Illinois; (vi) various capital improvements at the University's Chicago campus locations (as cited within this paragraph) and the University's Schaumburg campus site located at 1400 North Roosevelt Boulevard, Schaumburg, Illinois (the "Series 2007 Project"); and (vii) pay certain costs of issuance relating to the Series 2007 Bonds.

- **IFA Series 2009 Bonds - $183,645,000 Original Par Amount (Roosevelt University Project):** The proceeds of the Series 2009 Bonds were used to finance, refinance or reimburse the University for the costs of acquiring, constructing, renovating, improving, furnishing and equipping certain of its "educational facilities" (as defined in the Act), and more specifically described as (i) the acquisition, renovation, new construction and equipping of a multi-use academic center and student housing facility located at 421-425 South Wabash Avenue, Chicago, Illinois (the "Wabash Building"); (ii) various capital improvements at the University's Chicago campus locations at 430 South Michigan Avenue, Chicago, Illinois, 18-28 South Michigan Avenue, Chicago, Illinois 60603 (the "Gage Building") and the land (approximately 14,100 square feet) located at 501 South Wabash Avenue, Chicago, Illinois 60603 (the "Goodman Center") and University's Schaumburg campus site (the "Schaumburg Campus") located at 1400 North Roosevelt Boulevard, Schaumburg, Illinois (items (i) and (ii) collectively are the "Series 2009 Project"); (iii) pay capitalized interest with respect to certain portions of the Series 2009 Project; (iv) refund all of the outstanding Authority's Variable/Fixed Rate Demand Revenue Bonds, Series 1995 (Roosevelt University Project), in the amount of $16,500,000, plus accrued interest, the proceeds of which were originally used to purchase and renovate the University's Schaumburg campus site; (v) refund a portion of the outstanding Authority's Variable Rate Demand Revenue Bonds, Series 2000 (ACI/Cultural Pooled Financing Program), in the amount of $6,400,000, plus accrued interest, the proceeds of which were used to finance the acquisition of equipment for use at the University's Chicago and Schaumburg campuses and refinance certain taxable debt of the University; (vi) refund all of the outstanding Authority's Variable Rate Demand Revenue Bonds, Series 2002 (Roosevelt University Project), in the amount of $10,000,000, plus accrued interest ,the proceeds of which were used to finance the renovation, build-out, equipping, and expansion of facilities located at the University's Chicago and Schaumburg campuses and (vii) pay certain costs of issuance relating to the Series 2009 Bonds.

Note: although the draft Bond Resolution provides that all or a portion of the Series 2007 Bonds may be refunded, the University and financing team presently contemplate that only $7.74MM of the outstanding, approximately $40MM balance will be refunded with the Series 2018B Bonds. (In contrast, the University and financing team anticipate that, ultimately, 100% of the outstanding balance of the Series 2009 Bonds will be ultimately be refunded with proceeds of the Series 2018A Bonds.)

ECONOMIC DISCLOSURE STATEMENT

Applicant: Roosevelt University, 430 S. Michigan Ave. Chicago, IL 60605

Contact: Mr. Andrew Harris, CFO, 430 S. Michigan Ave. Chicago, IL 60605; (T) 312.341.3583 email: aharris52@roosevelt.edu

Applicant

Website: http://www.roosevelt.edu

Project name: Illinois Finance Authority Revenue Bonds, Series 2018 (Roosevelt University Project)

Locations – Refunding Bonds: (1) **Loop Campus Buildings:** at or near 18-28 S. Michigan Ave., Chicago IL 60605 (Gage Building); 421-425 S. Wabash Ave., Chicago IL 60605 (Wabash Building); 430 S. Michigan Ave., Chicago, IL 60605 (Auditorium Building), and 501 S. Wabash Avenue, Chicago, IL 60605 (Goodman Center)
(2) **Schaumburg Campus facilities**: located at or near 1400 N. Roosevelt Blvd., Schaumburg, IL, 60173

Organization: Illinois not-for-profit corporation; incorporated as a 501(c)(3) not-for-profit corporation for federal income tax purposes

Roosevelt University's Board of Trustees: **Roosevelt University's Board of Trustees** (as posted on the University's website as of 8/24/2018):

PROFESSIONAL & FINANCIAL

Auditor:	Crowe Horwath LLP	Chicago, IL	
Borrower's Counsel:	Roosevelt University	Chicago, IL	Alexandra Wright (in-house)
Financial Advisor to Borrower:	Columbia Capital Management, LLC	Chicago, IL	Jeff White, David Abel
Bond Counsel:	Katten Muchin Rosenman LLP	Chicago, IL	Janet Hoffman Chad Doobay
Underwriter:	Wells Fargo Securities	Chicago, IL	Kevin Hoecker
Underwriter's Counsel:	Mayer Brown LLP	Chicago, IL	David Narefsky
Bond Trustee:	BNY Mellon	Chicago, IL	Eydie Wrobel
IFA Counsel:	Cotillas & Associates	Chicago, IL	Christopher Torem
IFA Financial Advisor:	Sycamore Advisors LLC	Chicago, IL	Diana Hamilton Olyvia Jarmoszka

LEGISLATIVE DISTRICTS

	Loop Campus	Schaumburg Campus
Congressional:	7	8
State Senate:	3	28
State House:	5	55

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CONDUIT

September 11, 2018	**$178,000,000 (not-to-exceed)** **TMCF I, LLC**
REQUEST	**Purpose**: Bond proceeds will be used by **TMCF I, LLC**, a Texas limited liability company and a controlled affiliate of The Memory Care Foundation, ("**TMCF**" or the "**Borrower**") to (i) finance and/or reimburse the costs of the acquisition, construction, equipping and improvement of certain assisted living and related facilities, including land, namely: Amarillo Memory Care, LLC, Arlington Heights Memory Care, LLC, Fort Mill Memory Care, LLC, Georgetown Memory Care, LLC, Gurnee Memory Care, LLC, HSRE-LSGI V, LLC ("The Village at Valley Creek" or "Denton"), Oswego Memory Care, LLC, Southwest Fort Worth Memory Care, LLC ("Cityview"), St. Charles Memory Care, LLC, and Towne Lake Memory Care, LLC; (ii) pay a portion of interest on the Series 2018 Bonds (the "Bonds"), if deemed necessary or desirable by the Authority, the Borrower, or The Memory Care Foundation; (iii) fund certain capital expenditures and startup expenses of the Borrower; (iv) fund one or more debt service reserve funds for the benefit of any one or more series or subseries of the Bonds ; and (v) pay certain expenses incurred in connection with the issuance of the Bonds. **Program**: Conduit 501(c)(3) Revenue Bonds **Extraordinary Conditions**: None.
BOARD ACTIONS	Final Bond Resolution *(One-time consideration*) (Multi-state)
MATERIAL CHANGES	None. This is the first time this project is being presented to the Board.
JOB DATA	169 Current jobs (IL) — N/A New jobs projected 169 Retained jobs — N/A Construction jobs projected

DESCRIPTION	• Location and Description of Communities and Present Owners (the **"Sellers"**):
	  ○ Amarillo Memory Care, LLC located at 7480 Hillside Road, Amarillo, TX 79119 operating a 56-bed capacity
	  ○ Arlington Heights Memory Care, LLC located at 1625 S. Arlington Heights Rd. Arlington Heights, IL 60005 operating a 66-bed capacity
	  ○ Fort Mill Memory Care, LLC located at 1075 Gold Hill Road, Fort Mill, SC 29708 operating a 54-bed capacity
	  ○ Georgetown Memory Care, LLC located at 3600 Williams Dr. Georgetown, TX 78628 operating a 50-bed capacity
	  ○ Gurnee Memory Care, LLC located at 505 N. Hunt Club Rd. Gurnee, IL 60031 operating a 64-bed capacity
	  ○ HSRE-LSGI V, LLC ("The Village at Valley Creek" or "Denton"), 2505 Brinker Road, Denton, TX 76208, operating a 50-bed capacity
	  ○ Oswego Memory Care, LLC located at 900 Douglas Rd. Oswego, IL 60543 operating a 54-bed capacity
	  ○ Southwest Fort Worth Memory Care, LLC ("Cityview") located at 7100 Dutch Branch Rd. Ft. Worth, TX 76132 operating a 46-bed capacity
	  ○ St. Charles Memory Care, LLC located at 10 N. Peck Rd. St. Charles, IL 60175 operating a 52-bed capacity
	  ○ Towne Lake Memory Care, LLC located at 1962 Eagle Dr. Woodstock, GA 30189 operating a 50-bed capacity
	• The Portfolio Communities were all opened between 2010 and 2017, all as new construction. There is a 20% affordability covenant in the Loan Agreement.

RATINGS	• Certain series of the Bonds are expected to be rated no lower than investment grade by S&P. There may also be certain series of the Bonds that will not be rated.

STRUCTURE	Purpose: Bond proceeds will be used by TMCF I, LLC, a Texas limited liability company and a controlled affiliate of The Memory Care Foundation, ("TMCF" or the "Borrower") to (i) finance and/or reimburse the costs of the acquisition, construction, equipping and improvement of certain assisted living and related facilities, including land, namely: Amarillo Memory Care, LLC, Arlington Heights Memory Care, LLC, Fort Mill Memory Care, LLC, Georgetown Memory Care, LLC, Gurnee Memory Care, LLC, HSRE-LSGI V, LLC ("The Village at Valley Creek" or "Denton"), Oswego Memory Care, LLC, Southwest Fort Worth Memory Care, LLC ("Cityview"), St. Charles Memory Care, LLC, and Towne Lake Memory Care, LLC; (ii) pay a portion of interest on the Series 2018 Bonds (the "Bonds"), if deemed necessary or desirable by the Authority, the Borrower, or The Memory Care Foundation; (iii) fund certain capital expenditures and startup expenses of the Borrower; (iv) fund one or more debt service reserve funds for the benefit of any one or more series or subseries of the Bonds ; and (v) pay certain expenses incurred in connection with the issuance of the Bonds.
SECURITY	• The Issuer will execute and deliver the Indenture, under the terms of which all of the right, title, interest, and remedies of the Issuer in the Loan Agreement and the Series 2018 Notes, together with all revenues and amounts to be received and all property to be held by the Issuer thereunder, will be assigned and will be the subject of a grant of a security interest to the Trustee and will be pledged as security for the payment of the Bonds. In addition, a lien on the real property included in the Project and a security interest in the personal property included in the Project has been granted to the Trustee pursuant to a mortgage on each of the facilities (each a "Mortgage" and collectively, the "Mortgages").
MATURITY	• Maturity of the Bonds will be no later than 40 years.
SOURCES AND USES	

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		**Uses:**	
IFA Bonds	$142,000,000	Acquisition Proceeds	$130,000,000
		Working Capital (1)	3,000,000
		Debt Service Reserve Fund	3,000,000
		Cost of Issuance (2)	6,000,000
Total	**$142,000,000**	**Total**	**$142,000,000**

Notes:
(1) Taxable bonds.
(2) A portion is expected to be funded from taxable bonds. Cost of Issuance include Underwriter's Discount (approximately $2.5MM), legal fees (approximately $1MM), and other consultants (approximately $2.5MM).

RECOMMENDATION	Project Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
PROJECT SUMMARY REPORT
September 11, 2018

Project: TMCF I, LLC

STATISTICS

Project Number:	12432	Amount:	$178,000,000 (not-to-exceed)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Pam Lenane
Locations:	**Illinois:** Arlington Heights, Gurnee Oswego, St. Charles **Texas:** Amarillo, Denton, Georgetown, Ft. Worth **South Carolina:** Fort Mill **Georgia:** Woodstock	Counties:	**Illinois:** Cook, Lake, Kendall, Kane; **Texas:** Randall, Williamson, Tarrant, Denton; **South Carolina:** York **Georgia:** Cherokee
		Regions:	**Illinois:** Northeast; **Texas:** Northwest, Southern, Northeast, Southeast; **South Carolina:** North Central; **Georgia:** Northern

BOARD ACTION

One-Time Final Resolution
Conduit 501 (c)(3) Bonds (Multi-State)
Project Review Committee recommends approval.

No IFA funds at risk
No extraordinary conditions

VOTING RECORD

This is the first time this project has been brought before the IFA Board of Directors.

PURPOSE

Bond proceeds will be used by **TMCF I, LLC**, a Texas limited liability company and a controlled affiliate of The Memory Care Foundation, ("**TMCF**" or the "**Borrower**") to (i) finance and/or reimburse the costs of the acquisition, construction, equipping and improvement of certain assisted living and related facilities, including land, namely: Amarillo Memory Care, LLC, Arlington Heights Memory Care, LLC, Fort Mill Memory Care, LLC, Georgetown Memory Care, LLC, Gurnee Memory Care, LLC, HSRE-LSGI V, LLC ("The Village at Valley Creek" or "Denton"), Oswego Memory Care, LLC, Southwest Fort Worth Memory Care, LLC ("Cityview"), St. Charles Memory Care, LLC, and Towne Lake Memory Care, LLC; (ii) pay a portion of interest on the Series 2018 Bonds (the "Bonds"), if deemed necessary or desirable by the Authority, the Borrower, or The Memory Care Foundation; (iii) fund certain capital expenditures and startup expenses of the Borrower; (iv) fund one or more debt service reserve funds for the benefit of any one or more series or subseries of the Bonds ; and (v) pay certain expenses incurred in connection with the issuance of the Bonds.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations and their 501(c)(3) controlled affiliates can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds paid to bondholders and thereby reducing the borrower's interest expense.

VOLUME CAP

501(c)(3) Bond issues do not require Volume Cap.

JOBS

Current employment:	104 FTE's + 46 PT's (in Illinois)	New jobs projected:	N/A
Jobs retained:	104 FTE's + 46 PT's (in Illinois)	Construction jobs projected:	N/A

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		**Uses:**	
IFA Bonds	$142,000,000	Acquisition Proceeds	$130,000,000
		Working Capital (1)	3,000,000
		Debt Service Reserve Fund	3,000,000
		Cost of Issuance (2)	6,000,000
Total	**$142,000,000**	**Total**	**$142,000,000**

Notes:
(1) Taxable bonds.
(2) A portion is expected to be funded from taxable bonds. Cost of Issuance include Underwriter's Discount (approximately $2.5MM), legal fees (approximately $1MM), and other consultants (approximately $2.5MM).

FINANCING SUMMARY/STRUCTURE

Security: The Bonds will be secured by a promissory note(s) issued under a Trust Indenture of the Issuer, which will contain covenants to be negotiated. Mortgages on all financed properties, debt service reserve fund(s), and a pledge of revenues will be granted to the Trustee.

Structure: The Bonds will be sold in a public offering by Cain Brothers, a division of KeyBanc Capital Markets, Inc. The Bonds are expected to be structured in several tranches:

- Senior Bonds with an expected rating of 'A' category by S&P:
  - Series 2018A-1 tax-exempt (approximately $66MM)
  - Series 2018A-2 taxable (approximately $7MM)
- Second Tier Bonds Series 2018B with an expected rating of 'BBB' category by S&P (approximately $44MM)
- Third Tier Bonds Series 2018C that are expected to be non-rated (approximately $25MM)

Each Series is subordinate to the higher rated series. They are each separate and there are no cross default provisions.

Interest Rate: Fixed rate

Interest Mode: Semi-annual

Credit Enhancement: None

Maturity: Maturity will be no later than 40 years.

Rating: The Bonds are expected to be structured in several tranches:

- Senior Bonds with an expected rating of 'A' category by S&P:
  - Series 2018A-1 tax-exempt
  - Series 2018A-2 taxable
- Second Tier Bonds Series 2018B with an expected rating of 'BBB' category by S&P
- Third Tier Bonds Series 2018C that are expected to be non-rated

Estimated Closing Date: October 2018

PROJECT SUMMARY

Bond proceeds will be used by **TMCF I, LLC**, a Texas limited liability company and a controlled affiliate of The Memory Care Foundation, ("**TMCF**" or the "**Borrower**") to (i) finance and/or reimburse the costs of the acquisition, construction, equipping and improvement of certain assisted living and related facilities, including land, namely: Amarillo Memory Care, LLC, Arlington Heights Memory Care, LLC, Fort Mill Memory Care, LLC, Georgetown Memory Care, LLC, Gurnee Memory Care, LLC, HSRE-LSGI V, LLC ("The Village at Valley Creek" or "Denton"), Oswego Memory Care, LLC, Southwest Fort Worth Memory Care, LLC ("Cityview"), St. Charles Memory Care, LLC, and Towne Lake Memory Care, LLC; (ii) pay a portion of interest on the Series 2018 Bonds (the "Bonds"), if deemed necessary or desirable by the Authority, the Borrower, or The Memory Care Foundation; (iii) fund certain capital expenditures and startup expenses of the Borrower; (iv) fund one or more debt service reserve funds for the benefit of any one or more series or subseries of the Bonds ; and (v) pay certain expenses incurred in connection with the issuance of the Bonds.

BUSINESS SUMMARY

Description of Business: TMCF I, LLC (the "***Borrower***"), is a Texas limited liability corporation formed on August 29, 2018. It is a wholly owned subsidiary of The Memory Care Foundation, which is a Texas nonprofit corporation formed on June 16, 2018 for the sole purpose of charitable purposes specific to the ownership and operation of long term care facilities for the growing elderly population with an emphasis on standalone memory care communities. The Borrower is a disregarded entity for federal income tax purposes. The mission of The Memory Care Foundation and the Borrower is to provide high quality elder care services and facilities to senior citizens living in the United States (the "***Mission***"). The Memory Care Foundation received its initial determination letter from the Internal Revenue Service (the "***IRS***") for its tax-exempt status effective July 25, 2018 (the "***Determination Letter***"), to the effect that tit is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "***Code***"), and can reasonably be expected to be a publicly supported organization described in Section 509(a)(2) of the Code and not a private foundation.

Neither The Memory Care Foundation nor the Borrower has conducted any operations to date and neither has any significant assets. At this time, the Borrower does not intend to acquire any substantial assets or engage in any substantial business activities other than those related to the acquisition, ownership and operation of the following properties: ten stand-alone properties: Autumn Leaves of Amarillo ("***Amarillo***"), Autumn Leaves of Arlington Heights ("***Arlington Heights***"), Autumn Leaves of Cityview ("***Cityview***"), Autumn Leaves of Fort Mill ("***Fort Mill***"), Autumn Leaves of Georgetown ("***Georgetown***"), Autumn Leaves of Gurnee ("***Gurnee***"), Autumn Leaves of Oswego ("***Oswego***"), Autumn Leaves of St. Charles ("***St. Charles***"), Autumn Leaves of Towne Lake ("***Towne Lake***"), and The Village at Valley Creek ("***Village***" and, together with the other properties, the "***Portfolio Communities***"), located in various metropolitan and secondary markets of Georgia, Illinois, Texas and South Carolina. The Portfolio Communities consist of 426 rental memory care units with 542 memory care licensed beds. As of August 10, 2018, 415 of the 426 rental memory care units at the Portfolio Communities were occupied.

The Manager of the Portfolio Communities will be TLG Family Management, LLC, a Texas limited liability corporation, of which The LaSalle Group, Inc. ("LSG") is the Managing Member with a 33.34% Percentage Interest and Melvin W. Warren, Jr. and Mitchell W. Warren are Non-Managing Members, each with a 33.33% Percentage Interest. The principal place of business of the Manager is 545 E. John Carpenter Freeway, Suite 500, Irving, Texas 75062.

The Borrower will enter into a management agreement for each of the Portfolio Communities, each dated and effective as of the issue date of the Series 2018 Bonds (each a "Management Agreement" and collectively, the "Management Agreements"), and each with TLG Family Management, LLC (the "Manager") to manage the operations of the Portfolio Communities. With the exception of Village property, the Manager is the current manager of the Portfolio Communities and has managed the Portfolio Communities since their inception (Village was previously managed by Manager until March 2017 when a change in ownership resulted in a change in management.) Members of the management team of the Manager will report to the Board on a regular basis.

The Manager is headquartered in Irving (Las Colinas), Texas, was incorporated in 2008 and currently has a corporate personnel of approximately 75 employees. In addition to operating the Portfolio Communities, the Manager operates all of the "Autumn Leaves" communities, which include 35 other memory care communities throughout Florida, Georgia, Kansas, Illinois, Missouri, Oklahoma, South Carolina, Texas, and Wisconsin.

Attached to this Report is a memorandum setting forth the biographies of the key staff of the Manager.

APPRAISAL

JLL Valuation & Advisory Services, LLC (the "Appraiser") was retained by the purchaser to prepare appraisal reports (the "Appraisals") to provide the market value of the fee simple interest in each of the facilities as going concerns, "as is" and investment value, as of August 2018, subject to certain general underlying assumptions and limiting conditions set forth therein. Subject to the methods used and to the general underlying assumptions and limiting conditions, as further described in the Appraisals, the Appraiser determined the appraised values of the facilities.

The Borrower will be purchasing the facilities at fair market value.

The Appraiser, a wholly owned indirect subsidiary of Jones Lang LaSalle Incorporated, is a leading international appraisal firm, having completed more than 11,000 valuations last year across multiple sectors.

OWNERSHIP / ECONOMIC DISCLOSURE STATEMENT

Applicant: TMCF I, LLC

Location: 545 E. John Carpenter Frwy, Suite 500
Irving (Las Colinas), TX 75062

Contact: Jessica Akaah, President

Project Name: TMCF I, LLC

Organization: TMCF I, LLC is a wholly owned subsidiary of The Memory Care Foundation, which is a 501(c)(3) organization

Board of Directors: The Board of The Memory Care Foundation currently consists of the following Directors:

- Kathleen J. Wu, Director
- John W. Barbee, Director
- Christopher Cass, Director
- Joshua Breitzer, Director
- Kristina Canady, Director

Seller: The Borrower will acquire each of the Portfolio Communities on the date of issuance of the Series 2018 Bonds with proceeds of the Series 2018 Bonds from the current owners (each a "Seller" and collectively, the "Sellers") and an affiliate of The LaSalle Group, Inc. ("LSG"), of which Melvin W. Warren, Jr. and Mitchell Warren are the two principal owners, in each case pursuant to an Agreement of Purchase and Sale. LSG, through several affiliates, including the Manager, designs, develops, builds, manages, and owns a portfolio of memory care communities specializing in assisted living residences for people with Alzheimer's and other forms of memory impairment. LSG was founded by the Warren family in 1999. LSG has developed its communities with equity capital partners. The communities are owned by separate limited liability companies, including the Sellers, which in turn are generally owned approximately 50% by LSG and its affiliates and 50% by other equity partners.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Hunton Andrews Kurth	Dallas, TX	Kathleen Wu
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP	San Francisco	Richard Moore
		Sacramento	Jenna Magan
		Sacramento	Mayling Leong
Trustee:	UMB Bank	St. Louis	Nancy Mogelnicki
Underwriter:	Cain Brothers, a division of KeyBanc Capital Markets, Inc.	New York	Bart Plank
		New York	Matthew O'Grady
		San Francisco	Liza Hing
		New York	Adam Davis
Underwriter Counsel:	Norris George & Ostrow PLLC	Washington, DC	R. Wade Norris
			Ethan Ostrow
IFA Counsel:	Chapman and Cutler LLP	Chicago	David Kates
		New York	Latrice Baptiste
IFA Financial Advisor:	Acacia Financial Group Inc.	Chicago	Phoebe Selden

LEGISLATIVE DISTRICTS

Illinois Only

Congressional: 9, 14, 11, 14
State Senate: 27, 31, 42, 25
State House: 53, 61, 84, 50

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Pam Lenane, Executive Vice President

Date: September 11, 2018

Re: Additional Information for Tab #3 TMCF I, LLC, a controlled affiliate of the Memory Care Foundation

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The key staff of the Manager for the Memory Care Foundation are set forth below:

Mitchell W. Warren, Chairman, CEO and Co-Owner, ***(37)***, focuses on overall corporate strategy, leadership development, diversification, long-term planning, and overseeing the creation of the Manager's goals and budgets. Mr. Warren also spends much of his time working with and building relationships with the residents, residents' families, and staff at the Manager's communities. He has over 15 years of experience in the senior living business. Mr. Warren joined the Manager on a part-time basis in 2000 as a Project Manager. He helped oversee several of the Manager's initial senior living projects. In 2003, Mr. Warren started full time as Vice President of Development, where he helped found the design, development, and construction divisions of the Manager, and created and drove the business model for expanding the Autumn Leaves® Memory Care Assisted Living brand. In 2008, Mr. Warren became Chief Executive Officer and Co-Owner of the Manager. He graduated from the University of Michigan with a bachelor of arts degree in political science (and additional concentrations in electrical engineering, business, and technical theater).

Melvin W. Warren, Jr., Chairman Emeritus and Co-owner, ***(76)***, was one of the founders of the Manager opening the first Autumn Leaves community in Arlington, Texas in 2000. Mr. Warren has over 40 years of experience in business and real estate, including founding a business consulting firm that provided services to Fortune 500 companies, and acting as president of both Warren Real Estate and Town & Country Management. Mr. Warren graduated from Michigan State University with a bachelor of arts in business administration and marketing and a masters in economics.

Jessica C. Akaah, Vice Chairman and Interim Vice President of Operations**,** is responsible for ensuring the company remains focused on our mission and core values. She joined the company in 2007, opening the first Autumn Leaves community in the Chicagoland area, and served as Executive Director of Autumn Leaves of Vernon Hills for two years. With the company's tremendous growth, she was promoted to Regional Director of Operations for the Midwest. She then progressed through several executive leadership roles before being elected Vice-Chairman in 2017. She was named Interim Vice President of Operations in June 2018. Prior to joining Autumn Leaves, Jessica was a social worker for Thresholds in Chicago, a nonprofit organization providing healthcare and housing for the mentally ill. She also supervised two safe haven programs at the organization. She began her career as an outreach worker serving Chicago-area homeless and mentally ill clients. Jessica is a licensed clinical social worker (LCSW) and an active member of the Life Services Network of Illinois. She earned her Bachelor of Arts degree in social work from Michigan State University and her master of arts degree in social service administration from the University of Chicago.

Also serves as President of the Memory Care Foundation.

John W. Barbee, President, ***(56)***, has more than 30 years' experience in real estate development and construction, and 10 years' experience with the Manager specifically in senior assisted living. Since 2017, as President, Mr. Barbee leads the execution of the Manager's strategic business and financial partnerships while overseeing certain aspects of the Manager's daily operations and serving as an added resource to the company's officers and employees at the home office and in the field. Within two years of joining the Manager, he advanced to the role of Vice President of Construction, and in 2012, Mr. Barbee's responsibilities were expanded to include Vice President of Design and Development. In 2013, he was promoted to Executive Vice President of Real Estate. Since 1999, and prior to joining the Manager, Mr. Barbee was president of Barbee Enterprises, providing commercial general contracting and custom home building services. He attended Taft Community College in California and Steven F. Austin State University.

Also serves as a Director of the Memory Care Foundation.

ILLINOIS FINANCE AUTHORITY

CONDUIT

September 11, 2018

$60,000,000 (not-to-exceed)
Washington and Jane Smith Community – Orland Park d/b/a Smith Crossing

REQUEST	**Purpose**: Bond proceeds will be use **by Washington and Jane Smith Community – Orland Park d/b/a Smith Crossing** ("**SC**" or the "**Corporation**") to (i) pay or reimburse the Corporation for the costs of constructing, renovating, remodeling and equipping certain facilities of the Corporation, including, but not limited to, the construction of the third phase of the Corporation's campus development project consisting of the new two-story, 45,222 square-foot wing which will be connected to the south side of the main building on Smith Crossing's 32-acre campus, the new wing will house private suites for 46 adults needing short-term rehab services as well as common areas including a modern, efficient rehab gym that provides a greater variety of therapies; private treatment and therapy rooms; much needed offices; and a dining room for rehab patients, their families and friends. The new wing's home-like ambiance, which promotes quicker healing, reflects the design of the entire Smith Crossing campus. All new 46 beds will be certified for Medicare and half of Smith Crossing's increased total of 92 beds designated for rehab and skilled nursing care will be dually certified for Medicare and Medicaid, giving Smith Crossing the ability to increase its support for more patients; (ii) refund all or a portion of the outstanding Illinois Finance Authority Variable Rate Revenue Bonds, Series 2013A and Series 2013B (iii) pay a portion of the interest on the Bonds, if deemed necessary or desirable by the Authority and/or the Corporation, (iv) establish a debt service reserve fund, if deemed necessary or desirable by the Authority and/or the Corporation, and (vii) pay certain fees or expenses incurred in connection with the refunding of the Prior Bonds (including, without limitations, termination fees in connection with interest rate swap agreements related to the Prior Bonds) and the issuance of the Bonds. **Program**: Conduit 501(c)(3) Revenue Bonds **Extraordinary Conditions**: None.
BOARD ACTIONS	Final Bond Resolution *(One-time consideration)*
MATERIAL CHANGES	None. This is the first time this project is being presented to the Board.
JOB DATA	224 Current jobs (IL) 61 New jobs projected 224 Retained jobs 102 Construction jobs projected
DESCRIPTION	• Location: Orland Park/Will County/Northeast Region • Description: Washington and Jane Smith Community – Orland Park d/b/a Smith Crossing, is an Illinois not-for-profit corporation. Smith Crossing is located in Orland Park, a suburb approximately 15 miles southwest of Chicago, and operates a continuing care retirement community consisting of 173 independent living units, 46 traditional assisted living units, 16 memory care assisted living units, and 46 skilled nursing beds.
CREDIT INDICATORS	• The Bonds will be a bank direct placement with Compass Mortgage Corporation and First Midwest Bank.
SECURITY	• First mortgage on property and equipment and a gross revenue pledge.
MATURITY	• Maturity will be no later than December 31, 2048.

SOURCES AND USES	**Sources:**		**Uses:**	
	IFA Bonds	$ 60,000,000	New Money	$23,609,051
			Capitalized Interest	1,500,000
			Routine or non-routine Capital Projects	1,000,000
			Refunding	32,758,909
			Cost of Issuance	1,132,040
	Total	**$60,000,000**	**Total**	**$60,000,000**

RECOMMENDATION	Project Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
PROJECT SUMMARY REPORT
September 11, 2018

Project: Washington and Jane Smith Community – Orland Park d/b/a Smith Crossing

STATISTICS

Project Number:	12436	Amount:	$60,000,000 (not-to-exceed)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Pam Lenane
Location:	Orland Park	County:	Will
		Region:	Northeast

BOARD ACTION

Final Bond Resolution *(One-time consideration)*
Conduit 501 (c)(3) Bonds
Project Review Committee recommends approval.

No IFA funds at risk
No extraordinary conditions

VOTING RECORD

This is the first time this project has been brought before the IFA Board of Directors.

PURPOSE

Bond proceeds will be use **by Washington and Jane Smith Community – Orland Park d/b/a Smith Crossing** ("**SC**" or the "**Corporation**") to (i) pay or reimburse the Corporation for the costs of constructing, renovating, remodeling and equipping certain facilities of the Corporation, including, but not limited to, the construction of the third phase of the Corporation's campus development project consisting of the new two-story, 45,222 square-foot wing which will be connected to the south side of the main building on Smith Crossing's 32-acre campus, the new wing will house private suites for 46 adults needing short-term rehab services as well as common areas including a modern, efficient rehab gym that provides a greater variety of therapies; private treatment and therapy rooms; much needed offices; and a dining room for rehab patients, their families and friends. The new wing's home-like ambiance, which promotes quicker healing, reflects the design of the entire Smith Crossing campus. All new 46 beds will be certified for Medicare and half of Smith Crossing's increased total of 92 beds designated for rehab and skilled nursing care will be dually certified for Medicare and Medicaid, giving Smith Crossing the ability to increase its support for more patients; (ii) refund all or a portion of the outstanding Illinois Finance Authority Variable Rate Revenue Bonds, Series 2013A and Series 2013B (iii) pay a portion of the interest on the Bonds, if deemed necessary or desirable by the Authority and/or the Corporation, (iv) establish a debt service reserve fund, if deemed necessary or desirable by the Authority and/or the Corporation, and (vii) pay certain fees or expenses incurred in connection with the refunding of the Prior Bonds (including, without limitations, termination fees in connection with interest rate swap agreements related to the Prior Bonds) and the issuance of the Bonds.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds paid to bondholders and thereby reducing the borrower's interest expense.

VOLUME CAP

501(c)(3) Bond issues do not require Volume Cap.

JOBS

Current employment:	224 FTE's (in Illinois)	New jobs projected:	61
Jobs retained:	224 FTE's (in Illinois)	Construction jobs projected:	102

ESTIMATED SOUCES AND USES OF FUNDS

Sources:		**Uses:**	
IFA Bonds	$60,000,000	New Money	$23,609,051
		Capitalized Interest	1,500,000
		Routine or non-routine Capital Projects	1,000,000
		Refunding	32,758,909
		Cost of Issuance	1,132,040
Total	**$60,000,000**	**Total**	**$60,000,000**

FINANCING SUMMARY/STRUCTURE

Structure: The plan of finance contemplates the direct purchase of the Series 2018 Bonds, issued in one or more series, by Compass Mortgage Corporation and First Midwest Bank. The Bonds will be secured by a first mortgage on (i) Borrower's interest in the community and all fixtures and property, (ii) all assets of the Borrower including inventory, accounts receivable, leasehold improvements and equipment and (iii) pledge of gross revenues including an assignment of interest in all rents and leases.

Interest Rate: to be determined the day of pricing.

Interest Modes: Variable

Credit Enhancement: None

Maturity: Maturity will be no later than December 31, 2048.

Rating: None

Estimated Closing Date: October 15, 2018

PROJECT SUMMARY

Bond proceeds will be use **by Washington and Jane Smith Community – Orland Park d/b/a Smith Crossing** ("**SC**" or the "**Corporation**") to (i) pay or reimburse the Corporation for the costs of constructing, renovating, remodeling and equipping certain facilities of the Corporation, including, but not limited to, the construction of the third phase of the Corporation's campus development project consisting of the new two-story, 45,222 square-foot wing which will be connected to the south side of the main building on Smith Crossing's 32-acre campus, the new wing will house private suites for 46 adults needing short-term rehab services as well as common areas including a modern, efficient rehab gym that provides a greater variety of therapies; private treatment and therapy rooms; much needed offices; and a dining room for rehab patients, their families and friends. The new wing's home-like ambiance, which promotes quicker healing, reflects the design of the entire Smith Crossing campus. All new 46 beds will be certified for Medicare and half of Smith Crossing's increased total of 92 beds designated for rehab and skilled nursing care will be dually certified for Medicare and Medicaid, giving Smith Crossing the ability to increase its support for more patients; (ii) refund all or a portion of the outstanding Illinois Finance Authority Variable Rate Revenue Bonds, Series 2013A and Series 2013B (iii) pay a portion of the interest on the Bonds, if deemed necessary or desirable by the Authority and/or the Corporation, (iv) establish a debt service reserve fund, if deemed necessary or desirable by the Authority and/or the Corporation, and (vii) pay certain fees or expenses incurred in connection with the refunding of the Prior Bonds (including, without limitations, termination fees in connection with interest rate swap agreements related to the Prior Bonds) and the issuance of the Bonds.

BUSINESS SUMMARY

Washington and Jane Smith Community – Orland Park d/b/a Smith Crossing, is an Illinois not-for-profit corporation. Smith Crossing is located in Orland Park, a suburb approximately 15 miles southwest of Chicago, and operates a continuing care retirement community consisting of 173 independent living units, 46 traditional assisted living units, 16 memory care assisted living units, and 46 skilled nursing beds.

Smith Crossing's related corporate parent and operating organizations ("Affiliates") include Washington and Jane Smith Home d/b/a Smith Senior Living, Washington and Jane Smith Community – Beverly d/b/a Smith Village, and Smith Cares LLC. Smith Senior Living is the sole member of Smith Cares, which provides nursing services to residents of Smith Village and Smith Crossing.

OWNERSHIP / ECONOMIC DISCLOSURE STATEMENT

Applicant:	Washington and Jane Smith Community – Orland Park d/b/a Smith Crossing
Location:	Smith Crossing 10501 Emilie Lane Orland Park, IL 60467
Contact:	Raymond Marneris, Chief Financial Officer
Website:	www.smithcrossing.org
Borrower:	Washington and Jane Smith Community – Orland Park d/b/a Smith Crossing
Organization:	Illinois 501(c)(3) Not-for-Profit Corporation

Board Members (501(c)(3)):

Andrew Anello, President
Thomas Chomicz, Vice Chair
John Leahy
Judith lewis
George Petraitis
Timothy Regan
Kay Thurn

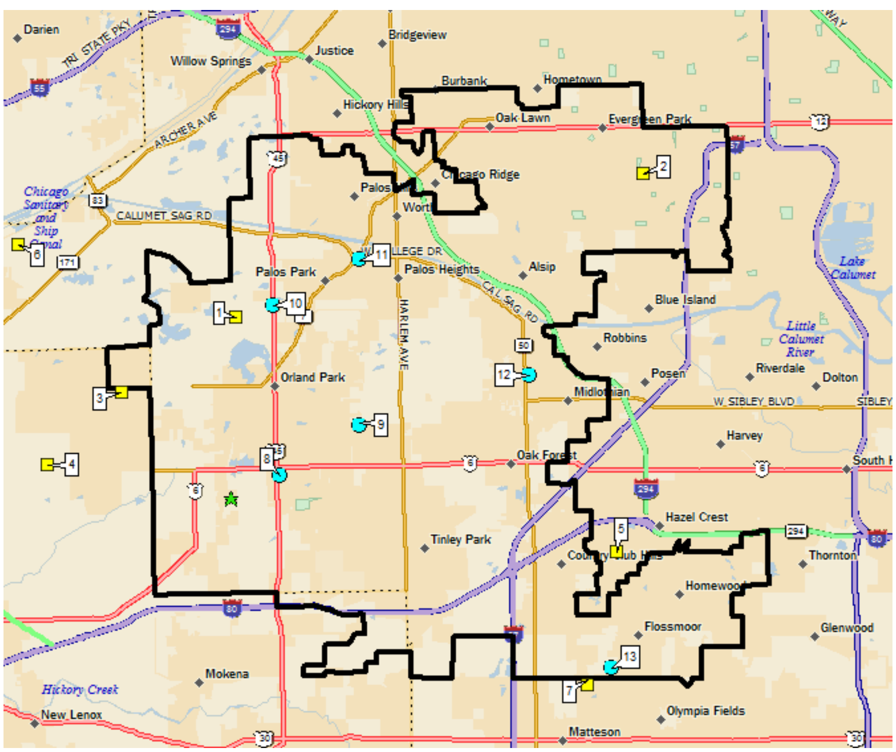
PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Quarles & Brady LLP	Chicago	Margaret Utterback
Bond Counsel:	Chapman and Cutler LLP	Chicago	John Bibby
		New York	Latrice Phillips
Bank:	Compass Mortgage Corporation	Chicago	Thomas Harazim
	First Midwest Bank	Chicago	Michael Taylor
Bank's Counsel:	Moore & Van Allen	North Carolina	Amy Johnson
			Marcus Benning
Swap Advisor:	Marathon Capital Strategies, LLC	Haddonfield, NJ	Alex Dinkels
			Albert Rivera
Development Consultant:	Eventus Strategic Partners	Philadelphia	Alan Wells
IFA Counsel:	Sanchez Daniels & Hoffman LLP	Chicago	Heather Erickson
IFA Financial Advisor:	Sycamore Advisors LLC	Indianapolis	Diana Hamilton
			Courtney Tobin

LEGISLATIVE DISTRICTS

Congressional: 1
State Senate: 19
State House: 37

SERVICE AREA



Retirement Communities in the PMA
1 - Peace Village
2 - Smith Village

Retirement Communities near the PMA
3 - Victorian Village
4 - Marian Village
5 - Waterford Estates
6 - Franciscan Village
7 - The Park at Olympia Fields

ALFs in the PMA
8 - Brighton Gardens of Orland Park
9 - Autumn Leaves of Orland Park
10 - Sunrise of Palos Park
11 - Arden Courts of Palos Heights
12 - The Pointe of Kilpatrick
13 - Sunrise of Flossmoor

The Community
CCRC
Assisted Living Facility
County Boundary Lines

RESOLUTION No. 2018-0911-AP__

RESOLUTION APPROVING AND CONFIRMING VARIOUS PROCUREMENT MATTERS, INCLUDING (I) A REQUEST FOR PROPOSALS FOR INVESTMENT MANAGEMENT SERVICE PROVIDERS, (II) A CONTRACT AMENDMENT WITH ACACIA FINANCIAL GROUP, INC. (FINANCIAL ADVISORY SERVICES) AND (III) A CONTRACT AMENDMENT WITH SYCAMORE ADVISORS, LLC (FINANCIAL ADVISORY SERVICES)

WHEREAS, the Illinois Finance Authority (the "Authority") has been created by and exists under the Illinois Finance Authority Act (20 ILCS 3501/801-1 *et seq.*) (the "Act"); and

WHEREAS, on July 15, 2013, by Public Act 098-0090, the Illinois State General Assembly amended the Illinois Procurement Code (30 ILCS 500/1-1 *et seq.*) (the "Procurement Code") by exempting certain contracts to be entered into by the Authority from the Procurement Code, including those for legal, financial and other professional services; and

WHEREAS, the Members of the Authority on August 13, 2013 approved a written procurement policy (the "Procurement Policy") for the procurement of contracts for legal, financial and other professional and artistic services entered into on or before December 31, 2018 by the Authority in which the State of Illinois is not obligated and on April 10, 2014 amended the Procurement Policy; and

WHEREAS, pursuant to such exemption, the Authority entered into a contract for investment management services, which contract is scheduled to terminate on December 26, 2018; and

WHEREAS, the Authority wishes to approve the procurement of one or more investment management service providers to, among other services, structure and manage a pooled fixed income investment portfolio; and

WHEREAS, as of July 1, 2014 and pursuant to the Procurement Code, including the Authority exemption, and the Procurement Policy, the Authority entered into a contract for financial advisory services with Acacia Financial Group, Inc. ("Acacia") for a term of approximately two years, which contract was renewed pursuant to its terms as of July 16, 2016 for a term of approximately one year; and which contract was amended as of March 16, 2017, extending the term of the contract through March 1, 2018 and increasing the not-to-exceed amount under the contract; and which contract was further amended as of February 26, 2018, extending the term of the contract through September 14, 2018 (as amended, the "Acacia Contract"); and

WHEREAS, as of July 1, 2014 and pursuant to the Procurement Code, including the Authority exemption, and the Procurement Policy, the Authority entered into a contract for financial advisory services with Sycamore Advisors, LLC ("Sycamore") for a term of approximately two years, which contract was renewed pursuant to its terms as of July 16, 2016 for a term of approximately one year; and which contract was amended as of March 16, 2017, extending the term of the contract through March 1, 2018 and increasing the not-to-exceed amount under the contract; and which contract was further amended as of February 27, 2018, extending the term of the contract through September 14, 2018 (as amended, the "Sycamore Contract"); and

WHEREAS, by Resolution on December 14, 2017, the Members of the Authority approved the procurement and/or selection of one or more financial advisors under the Procurement Code, including the Authority exemption, and the Procurement Policy, which procurement and/or selection may include but is not limited to the publication of a Request For Proposals or Request For Qualifications (collectively, “RFP”); and

WHEREAS, the Authority is preparing such an RFP and will require continued financial advisory services until the RFP selection process is concluded in order to avoid the interruption of core Authority operations and programs; and

WHEREAS, the Authority desires to approve amendments to the Acacia Contract and the Sycamore Contract, in each case to extend the term by approximately six months and increase the not-to-exceed amount thereof by $120,000 in order to prevent such interruption; and

NOW THEREFORE, BE IT RESOLVED by the Members of the Illinois Finance Authority as follows:

Section 1. Recitals. The recitals set forth above are hereby found to be true and correct and are incorporated into this Resolution as if fully set forth herein.

Section 2. Approval to Procure And/Or Select One or More Investment Management Services Providers. Consistent with the Procurement Code (including the Authority’s exemption thereunder), the Executive Director or his designee is authorized to take all actions, reasonable and necessary, to procure and/or select one or more investment management service providers under the Procurement Code (including the Authority exemption) and the Procurement Policy, including but not limited to the publication of an RFP.

Section 3. Confidentiality Inherent in Procurement Process. The Authority recognizes the need for confidentiality inherent in the Procurement Process under the Procurement Code. Accordingly, the Authority anticipates that once the terms and conditions become public consistent with the Procurement Code, then the Authority anticipates placing these procurements on an upcoming agenda for public consideration and discussion.

Section 4. Delegation to the Executive Director. The Authority hereby delegates to the Executive Director of the Authority, in conjunction with the other officers of the Authority, the power to take or cause to be taken any and all actions, and to execute, acknowledge and deliver any and all such agreements, instruments, certificates and other documents as may be required in connection with procurements set forth in Sections 2 and 3 of this Resolution.

Section 5. Approval of Amendment to Acacia Contract. The execution and delivery of an amendment to the Acacia Contract extending the term and increasing the not-to-exceed amount thereof is hereby confirmed, ratified and approved. If additional actions are necessary or desirable to further amend or to extend the Acacia Contract beyond the current period, the Executive Director is hereby authorized to take such actions and enter into such agreements as are necessary or desirable to ensure the continuation of services covered by the Acacia Contract.

Section 6. Approval of Amendment to Sycamore Contract. The execution and delivery of an amendment to the Sycamore Contract extending the term and increasing the not-to-exceed amount thereof is hereby confirmed, ratified and approved. If additional actions are necessary or desirable to further amend or to extend the Sycamore Contract beyond the current period, the Executive Director is hereby authorized to take such actions and enter into such agreements as are necessary or desirable to ensure the continuation of services covered by the Sycamore Contract.

Section 7. Further Actions. The Executive Director is hereby authorized, empowered and directed to do all such acts and things and to execute, acknowledge and deliver all documents as may in his discretion be deemed necessary or desirable to carry out and comply with the terms and provisions of this Resolution; and all of the acts and doings of the Executive Director of the Authority which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and the same are hereby in all respects ratified, confirmed and approved. All prior and future acts and doings of the officers, agents and employees of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the execution and performance of the Resolution shall be and the same hereby are in all respects approved and confirmed.

Section 8. Severability. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

Section 9. Conflicts. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 10. Immediate Effect. This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

This Resolution No. 2018-0911-AP__ is approved by roll call vote as follows:

Yeas:

Nays:

Abstain:

Absent:

Vacancies:

ILLINOIS FINANCE AUTHORITY

By ______________________________________
Executive Director

ATTEST:

____
Assistant Secretary

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AUTHORITY TRANSFORMATION INITIATIVE STATUS

BOARD MEETING
SEPTEMBER 11, 2018

Ten months ago, we learned that the 2017 federal tax legislation sought to eliminate conduit bonds, our primary tool.

Promoting job creation and enhancing the quality of life for the people of Illinois is our public mission.

While conduit bonds survived, we never again wanted to risk our mission on a single tool.

So we looked at what needed doing in our state.

We looked at our strengths, our revenues, our balance sheet and our strategic plan.

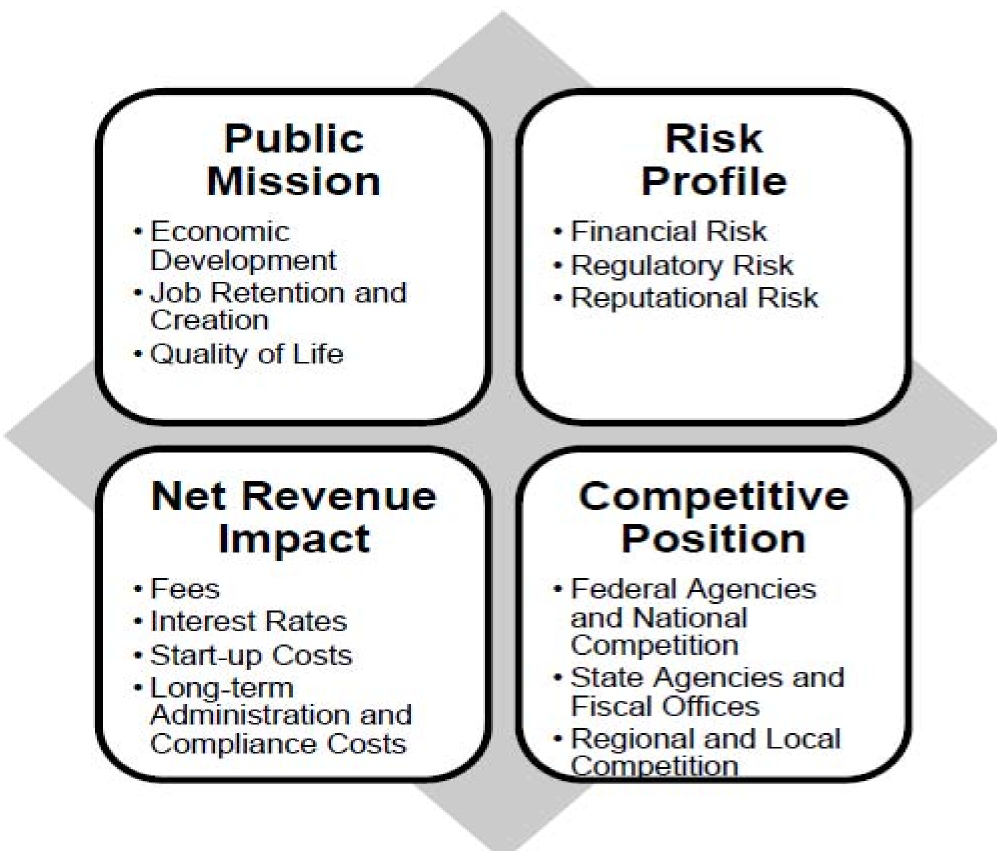
We provided opportunities for our team and we added talent.

The result is the Transformation Initiative - a growth and impact strategy for the Authority.

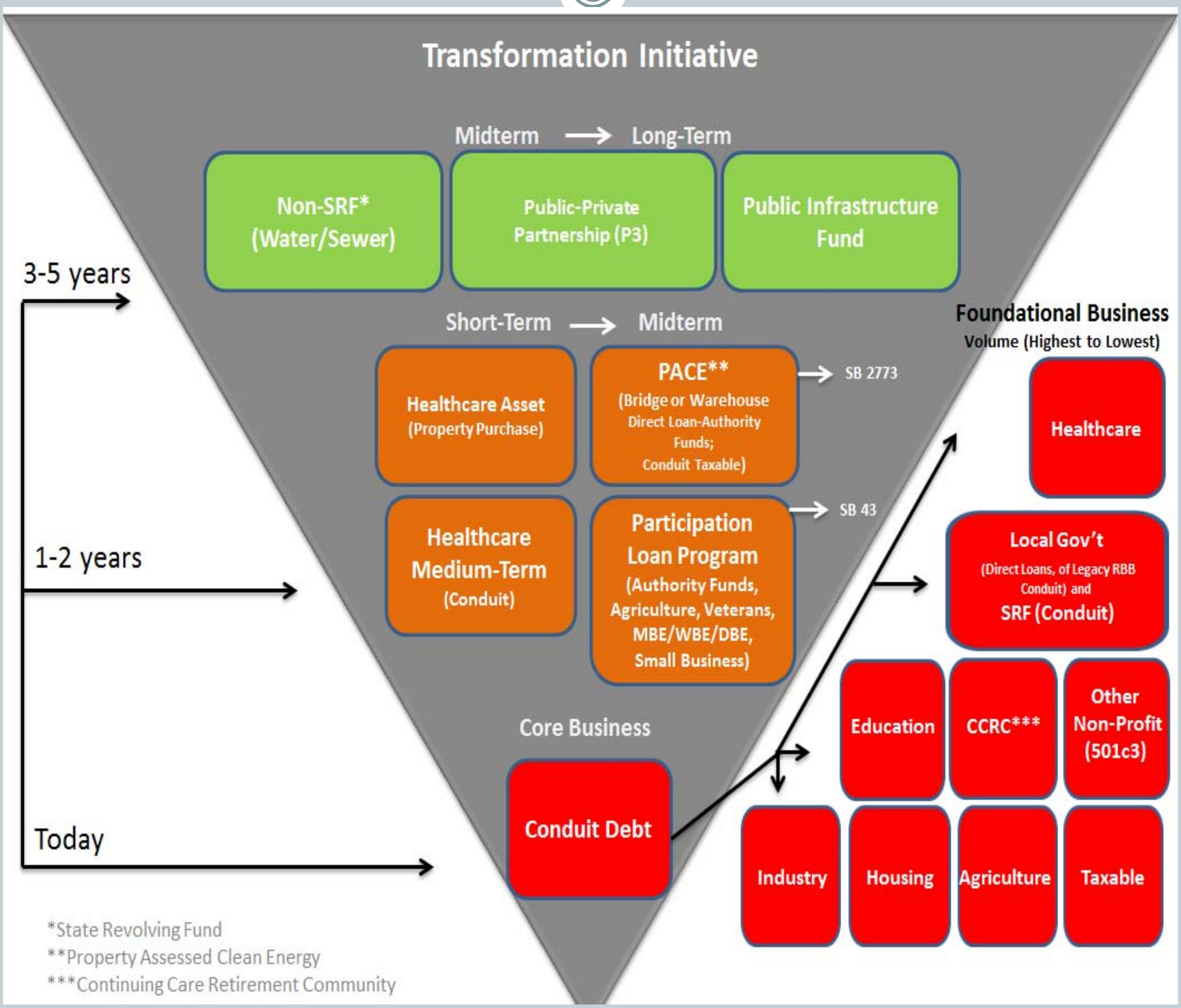
IFA Strategic Plan 2013-2015

2

Guiding Considerations for the New Missions and Product Lines



Fiscal Year 2019 Overview



Commercial Property Assessed Clean Energy ("C-PACE")

4

What is C-PACE?

In Illinois, counties, cities, and villages develop C-PACE programs so commercial property owners can economically finance or refinance up to 100% of their energy efficiency, renewable energy, and water conservation projects on a voluntary, long-term basis with a Capital Provider (i.e., Bondholder).

C-PACE liens are voluntarily attached to a property tax bill. Like any other property tax, a C-PACE lien is senior to a commercial mortgage.

- C-PACE repayment obligations can transfer to a new property owner upon the sale of the property (along with the ongoing energy savings)
- Bondholder(s) entitled to same rights and remedies that a local unit of government has regarding delinquent property taxes
- Allows C-PACE financing to exceed standard commercial lending terms that are otherwise typically only 5-7 years

C-PACE financing term = useful life of energy project (~20 years)

C-PACE assessment contracts cannot exceed 25% of the greater of (i) the assessed value of the property or (ii) the appraised value of the property, as determined by a licensed appraiser.

C-PACE Strategic State Support Model Developed by IFA

Background

- **August 11, 2017**: Illinois PACE Act (HB2831) becomes law
- **February 15, 2018**: IFA adopts Resolution to assist local governments with C-PACE financing due to failed implementation
- **April 17, 2018**: IFA introduces PACE Act trailer bill (SB2773)
- **August 19, 2018**: PACE Act trailer bill (SB2773) becomes law

State Support Model

Counties, cities, and villages may now assign assessment contracts to IFA to finance C-PACE projects on their behalf, which offers the following benefits:

- Standardized C-PACE bond documents drafted by IFA, which increases market liquidity across the state
- Reduced legal fees and faster bond financing through IFA vs. bond financing by local units of government through the Special Assessment Supplemental Bond and Procedures Act
- Certain balance sheet assets of IFA can be dedicated as a warehouse fund for interim funding of smaller C-PACE projects to achieve economies of scale in advance of long-term bond financing

C-PACE Implementation Begins in Illinois

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Implementation

Given the state support model offered by IFA, local units of government have begun the first step of procuring Program Administrators to develop and administer C-PACE programs in their communities.

- **July 17, 2018**: DuPage County approved Illinois Energy Conservation Authority as Program Administrator
- **July 25, 2018**: City of Chicago approved Loop-Counterpointe PACE LLC as Program Administrator
- **August 14, 2018**: Kane County approved Illinois Energy Conservation Authority as Program Administrator

IFA staff has initiated weekly C-PACE implementation calls with these engaged Program Administrators

- IFA staff sets weekly agenda and coordinates distribution lists
- Resolve technical and policy issues across multiple local jurisdictions
- Draft and finalize standardized loan/bond documents

Rejuvenated Participation Loan Program

Progress to Date

- All procedures established
- All application forms, marketing materials, and other documentation approved and posted on IFA website.
- Funding sources confirmed via legislative process
- Marketing effort achieves initial success, with 12 financial institutions signed on as Participating Lenders.
- 4 Participations committed thus far, totaling $877,500.
- 2 Projects in pipeline, (both Veteran-owned), with projected Authority Participations totaling an additional $831,000.
- S. Luboff contracted to provide continuing support

Rejuvenated Participation Loan Program

Next Steps

- Selection/hiring of new Vice President - Loans and Guarantees.
- Training Program for new V.P. provided by S. Luboff.
- Joint marketing trip to introduce new V.P. to market and to enlist more Participating Lenders.
- Continued support from S. Luboff for new V.P. during the initial period of deal production/administration/servicing.
- Create synergies between Participation Loan Program and efforts to support PACE-related activity.
- Once Authority portfolio of Participation Loans reaches $4MM mark, investigate the hiring of an Assistant Vice President – Loans and Guarantees, to be posted in Springfield/Peoria, to capitalize on Authority's marketing advantages south of I-80.

Healthcare Transformation Initiative Status

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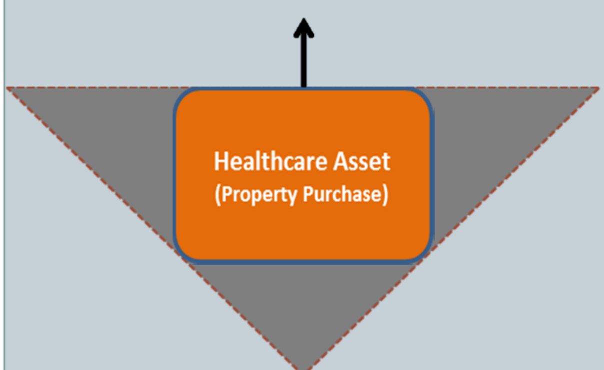
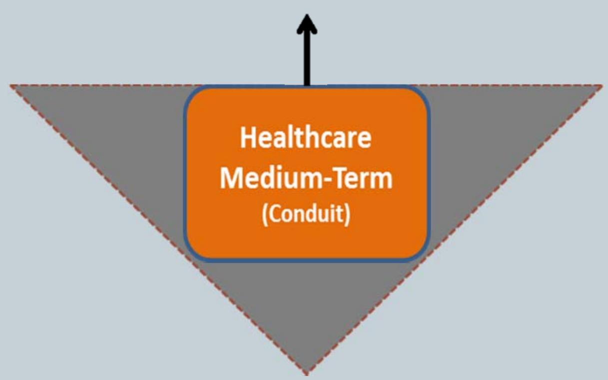
Asset Purchase Program

- Market acceptance is still developing. **<u>Why</u>?**
  - Healthcare systems are traditionally conservative.
  - This is a new financial structure in Illinois.



Medium Term Capital Program

- Market acceptance is still developing despite renewed effort. **<u>Why</u>?**
  - Medium term borrowing is not currently attractive, because spreads between taxable and tax-exempt rates are narrow.
  - Hospitals like to borrow long- term (30 years).
  - As rates rise, so should the popularity of this Program.



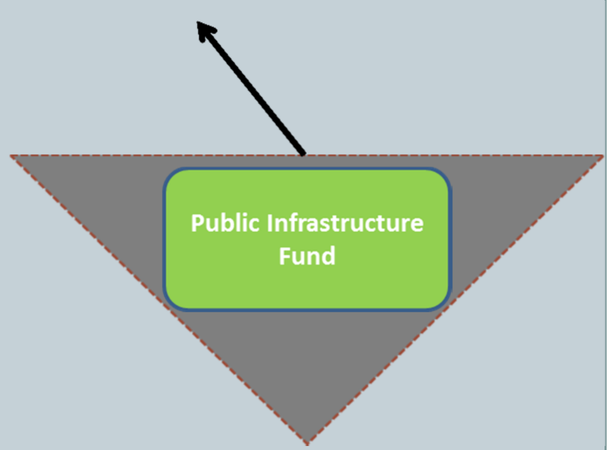
<u>Healthcare and Senior Living Conduit</u>

The pipeline for the IFA's core traditional healthcare conduit financings has filled out for Q1 and Q2 of FY 2019. It is difficult to see Q3 and Q4 of the pipeline at this time.

Public Infrastructure Fund (“PIF”)

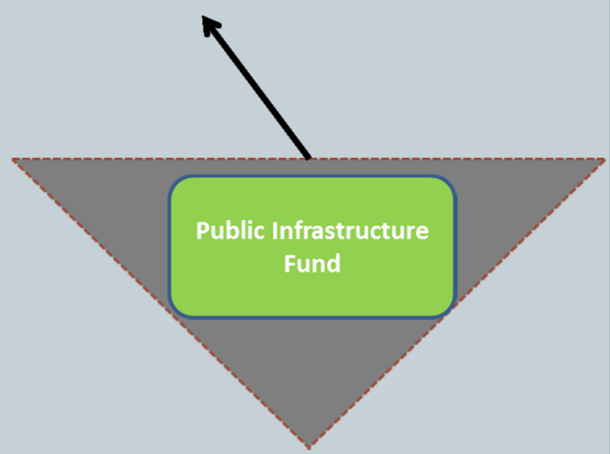
Creating a vehicle for the prudent and professional management of public infrastructure assets, and monetization through their transfer to public pension systems.

- Unlocking asset values for public investors
- Improving operation of infrastructure assets for the public



PIF: Potential Public Assets

- Potential portfolio of state-owned real estate and facilities located throughout Illinois.
  - Office buildings
  - Cellular Towers
  - Under utilized facilities
  - Parking garages and other revenue producing assets
- Municipal Facilities
  - Water/sewer utilities
  - Office buildings



PIF: Present and Future

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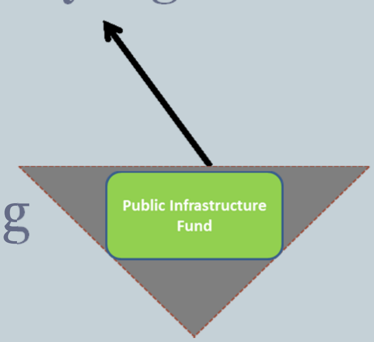
Current Actions

- Preparation of Business Plan, Executive Summary, and Slide Deck
- Discussions with opinion leaders
  - IFA Board
  - State policy makers
  - Municipal officials
  - Investment professionals

Next Steps

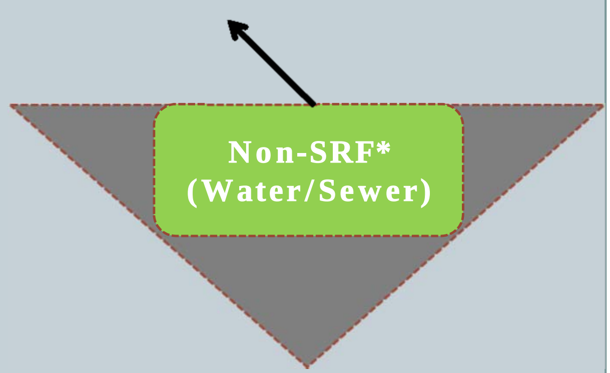
- Preparation of legislation
  - Currently being drafted by Authority legal counsel
  - Discuss in Veto Session
  - Introduce legislation in the Spring



Non-SRF Water Infrastructure Financing

Objective:

- Develop sustainable financing tools for local governments to invest in green infrastructure stormwater management systems and revenue generating projects.
- Maintain public benefit focus while working to ease the burden of increased user rates through operational efficiencies.
- Promote economic development and job creation in Illinois communities.



Non-SRF Water Opportunities

Short Term Opportunities:

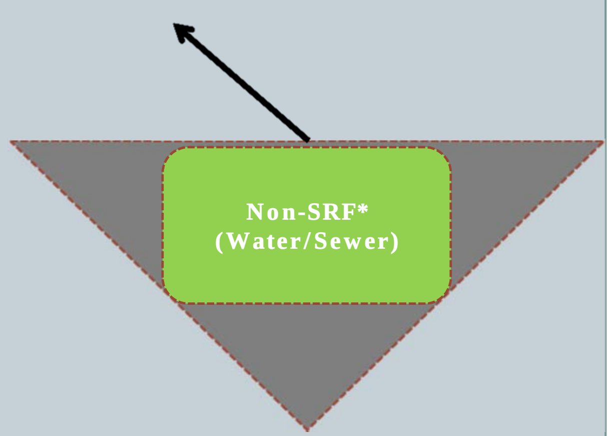
- Provide low-cost financing to wastewater treatment facilities.
- Finance meeting the match requirement for local governments receiving an MWRD grant to construct distributed (green) infrastructure in their communities.

Mid-Term Opportunities

- Develop a core business in water financing that works in concert with the SRF program.
- Develop a core business to finance energy efficiency and renewable energy generation projects.
- Develop opportunities under the PACE program to provide financing for local governments to fund commercial and industrial energy and water conservation projects.
- Investigate feasibility of a stormwater tax credit/regulatory relief trading program to incentivize investment in distributive infrastructure.
- Research emerging opportunities: Integration of environmental, social and governance (ESG) factors, pre-disaster resiliency investments, agriculture nutrient reduction investments.

Non-SRF Water Next Steps

- Work with local governments identified through the short-term initiative to initiate the loan process.
- Engage stakeholders and industry sector representatives to further define local government water infrastructure financing needs and to gain input on core business program development.
- Explore opportunities to strengthen SRF partnership to ensure seamless processes for water.
- Continue research of literature and best practices in water financing.



Innovative Project
Finance and Delivery ("IPFD") or Public- Private Partnership ("P3")
Background Information

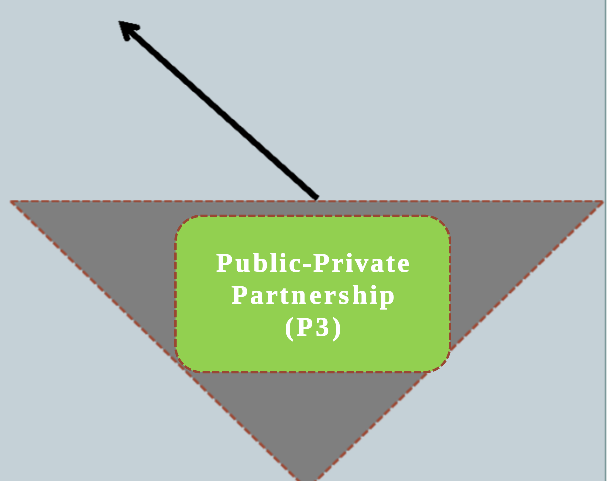
Purpose

- The Illinois Finance Authority will expand its conduit financing capability to provide technical advice to State and local government entities interested in pursuing public private partnerships and other alternative project finance and delivery mechanisms

Primary Activities

The IFA will provide:

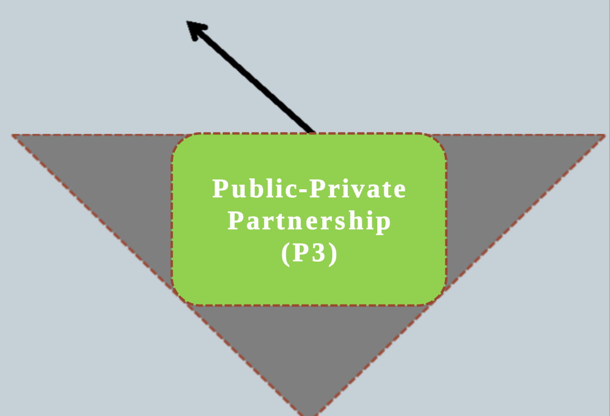
- Technical Advice
  - Project feasibility
  - Asset valuation
- Procurement Assistance
- Governance and Oversight
  - Asset ownership
  - Asset management



IPFD/P3: Guiding Principals

Objectives

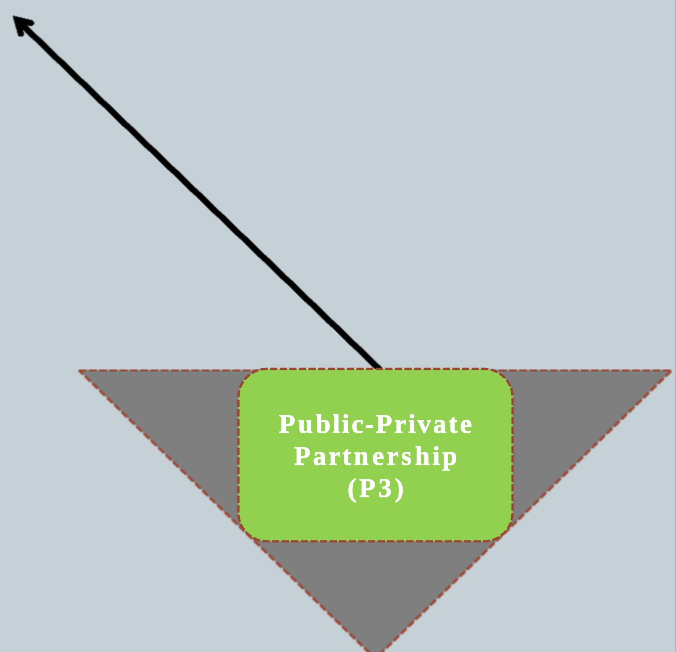
- IFA's Innovative Finance and Delivery Initiatives will provide public entities the option of leveraging private sector expertise and capital through public private partnerships and related transactions.
  - Fact-based and transparent project evaluation and planning across jurisdictions
  - Streamlined project delivery though rigorous execution and project management
  - Suitable regulation and rate making regimes
  - Viable framework for long-term capital funding of assets
  - Increased asset utilization and loss reduction
  - High level of customer satisfaction
  - Preserving and enhancing employment opportunities
  - Retaining public ownership
  - Enhancing future economic development



IPFD/P3: Next Steps

Objectives

- Ongoing meetings to solicit input from stakeholders and interested parties
  - State Officials
  - Local governments
  - Other organizations (MPC, Commercial Club, Infrastructure Ontario, etc.)
  - Private sector developers and financers
- Identify initial pilot projects
- Prepare legislation



Opportunity Zones (new)

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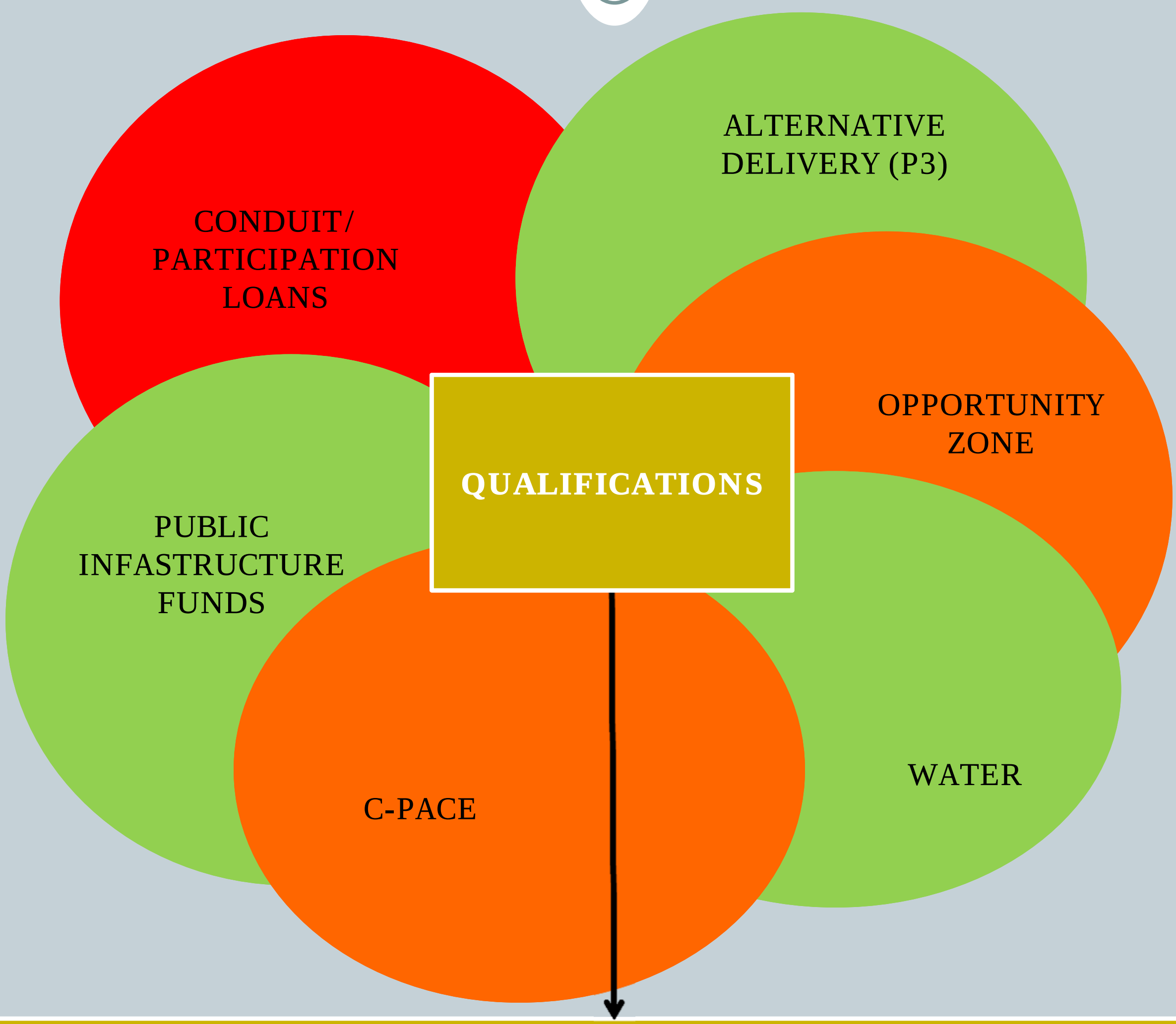
- Economic development tool aiming to improve the outcomes of distressed communities around the country.
- Illinois has identified 327 Opportunity Zones
- Will require new strategies for nurturing a new market around a *new asset class*
- Includes tax incentives to businesses who invest within low-income census tracts
- Defers and/or forgives payment of capital gains taxes earned within Opportunity Zones
  - After 5 years – 90% of the original gain is taxed
  - After 7 years – 85% of the original gain is taxed.
  - After 10 years- Any tax on the appreciation of that investment is forgiven.

Next steps: Turning Opportunity into Reality

- The Authority's Transformation Initiative is complimentary to the State's efforts around Opportunity Zones.
- The State of Illinois and the Authority now await issuance of rules by the US Treasury and the IRS related to Opportunity Zones.
- In the meantime the Authority will work with the State to develop strategies to address the associated challenges and opportunities.
- Illinois Opportunity Zone map
  - https://www.illinois.gov/dceo/Pages/OppZn.aspx

Capacity, Skills and Expertise



Credit Analysis
- **Structuring Skills**
- **Negotiation Skills**
- **Assessment of Intercreditor Issues**

Portfolio Management
Investment/Financial/Portfolio Analysis
Evaluation/Monitoring of Public Debt
Project Origination
Valuation

Sector Expertise
Legal
Procurement
Information Technology
Compliance
Finance

QUESTIONS?

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Chicago, IL 60601
312-651-1300
312-651-1350 fax
www.il-fa.com

Date: September 11, 2018

To:
Eric Anderberg, Chairman
Gila J. Bronner
James J. Fuentes
Michael W. Goetz
Neil Heller
Robert Horne
Mayor Arlene A. Juracek
Lerry Knox
Lyle McCoy
Shaun C. Murphy
George Obernagel
Terrence M. O'Brien
Roger Poole
Beth Smoots
Bradley A. Zeller

From: Ximena Granda, Controller

Subject: ***Presentation and Consideration of Financial Reports as of August 31, 2018*****

****All information is preliminary and unaudited.**

FISCAL YEAR 2019-UNAUDITED

1. GENERAL OPERATING FUND REVENUES, EXPENSES AND NET INCOME

a. **Total Annual Revenues** equal $**514** thousand and are **$135** thousand or **20.8%** lower than budget due primarily to **lower** closing fees. Closing fees year-to-date of $161 thousand are $281 thousand or 63.6% **lower** than budget. Annual fees of $39 thousand are $1 thousand higher than the budgeted amount. Administrative service fees of $56 thousand are $39 thousand higher than budget. Application fees total $4 thousand and are $1 thousand lower than the budgeted amount. Total accrued interest income from loans in connection with the former Illinois Rural Bond Bank local government borrowers and other loans totaled $81 thousand (which has represented a declining asset since 2014). Net investment income position is at $174 thousand for the fiscal year and is $128 thousand higher than budget.

b. In **August,** the Authority generated $65 thousand in closing fees, lower than the monthly budgeted amount of $221 thousand. Closing fees were received from: ***East Prairie School District Number 73*** for $57thousand and two beginning farmer bonds for $8 thousand.

c. **Total Annual Expenses** of $574 thousand were $253 thousand or 30.6% lower than budget, which was mostly driven by below budget spending on professional services. Year-to-date, employee related expenses total $390 or 4.7% above budget. Professional services expenses total

$90 thousand or 73.9% below budget. Annual occupancy costs of $29 thousand are 0.4% lower than budget, while general and administrative costs are $61 thousand for the year, which is 14.3% lower than budget. Total depreciation cost of $3 thousand is 59.9% below budget. Total cash transfers in from the Primary Government Borrowing Fund (setup to track financial activity on behalf of the State of Illinois) to the General Operating Fund is $1 thousand.

d. In **August**, the Authority recorded operating expenses of $306 thousand, which was lower than the monthly budgeted amount of $413 thousand.

e. **Total Monthly Net Loss** is $67 thousand was driven by lower than expected closing fees.

f. **Total Annual Net Loss** is $57 thousand which was driven by lower than expected closing fees.

2. ALL FUNDS-ASSETS, LIABILITIES AND NET POSITION

The Authority, as of August 31, 2018, is a $124.1 million dollar agency, but the Authority also accounts for activity in the Other State of Illinois Debt Fund. Total Assets in the Other State of Illinois Debt Fund are $1.2 billion. The Authority maintains compliance for nearly $25.0 billion in outstanding debt.

3. GENERAL OPERATING FUND-ASSETS, LIABILITIES AND NET POSITION

In the General Fund, the Authority continues to maintain a strong balance sheet, with total net position of $59.6 million. The total assets in the General Fund are $61.5 million (consisting mostly of cash, investments, and receivables). Unrestricted cash and investments total $47.5 million (with $6.4 million in cash). Notes receivables from the former Illinois Rural Bond Bank local governments total $10.0 million. Participation loans, DACA (pilot medical student loans in exchange for service in medical underserved areas in Illinois) and other loans receivables are at $3.1 million.

4. YEAR TO DATE ACTIVITY FOR ALL OTHER FUNDS

a. In accordance with Governmental Accounting Standards, the "Other State of Illinois Debt Fund" is comprised of bond activity for the Illinois Environmental Protection Agency ("IEPA"), and Northern Illinois University Foundation ("NIUF"). The majority of the activity in this fund derives from the Clean Water Initiative ("CWI") bonds issued for IEPA. Total assets in this fund total $1.2 billion, of which CWI Bonds total $980 million. The Series 2016 CWI Bonds closed on September 12, 2016 in the amount of $500 million and the Series 2017 CWI Bonds closed on September 12, 2017 in the amount of $560 million. Restricted investments total $230 million with accrued investment income at $84 thousand.

b. The Locally Held Fire Truck and Ambulance Revolving Loan Funds have total year-to-date receipts of $74 thousand. In August, total loan payments received under the Fire Truck Revolving Loan Fund were $23 thousand. The Net Position for Fire Truck and Ambulance Revolving Loan Funds on the Authority's balance sheet is $23.7 million and $4.3 million, respectively.

   The Illinois Agricultural Loan Guarantee Fund and the Illinois Farmer Agribusiness Loan Guarantee Fund include restricted assets held by the State Treasurer to make payouts of losses in relation to the Authority's agricultural loan guarantee programs. As of August 31, 2018, the

Agricultural Loan Guarantee Fund had a Restricted Net Position of $10.3 million and the Agribusiness Fund had a Restricted Net Position of $8.1 million, with no loss reserves in either fund. However, the Industrial Revenue Bond Insurance Fund includes restricted assets held locally by the Authority to make payouts of losses in relation to the Authority's agricultural loan guarantee programs (please see Senate Bill 324, Public Acct 99-0509). The Restricted Net Position for the Industrial Revenue Bond Insurance Fund was $11.7 million as of August 31, 2018.

c. All other nonmajor funds recorded total year-to-date revenues of $91thousand. Year-to-date expenses total $1 thousand as of August 31, 2018. Total Net Position in the remaining non-major funds is $34.4 million.

d. The Metro East Police District Commission is reported as an agency/fiduciary fund, which has total assets of $3 thousand in the custody of the Authority. The Illinois Finance Authority NFP Development Fund has a total net position of $12 thousand.

5. AUTHORITY AUDITS AND REGULATORY UPDATES

The Fiscal Year 2018 Financial Audit Examination is ongoing. The external auditors will be starting the second phase of the fieldwork on September 24, 2018. On August 28, 2018 the Authority received a letter from the Legislative Audit Commission ("LAC") requesting an update on the Fiscal Year 2016 and Fiscal Year 2017 compliance examination findings. The Authority is currently working on the response to the LAC. The Internal Audit is ongoing. The internal auditors started the examination on IT Security Practices. Since engaging CMS Bureau of Internal Audit, they have completed three audits for the Authority.

6. OTHER SUPPLEMENTARY FINANCIAL INFORMATION

The Fiscal Year Comparison of Bonds Issued, the Fiscal Year 2019 Bonds Issued are being presented as supplementary financial information in your Board package. The financial reports, Schedule of Debt and the State of Illinois Receivables Summary are in your red folders.

Respectfully submitted,

/s/ Ximena Granda
Controller

ILLINOIS FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND NET INCOME
GENERAL OPERATING FUND
FOR FISCAL YEAR 2019 AS OF AUGUST 31, 2018
(PRELIMINARY AND UNAUDITED)

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	BUDGET VARIANCE ($)	BUDGET VARIANCE (%)
Operating Revenues:																
Closing Fees	$ 95,566	$ 65,005											$ 160,571	$ 441,604	$ (281,033)	-63.6%
Annual Fees	18,091	20,824											38,915	38,167	748	2.0%
Administrative Service Fees	35,500	20,000											55,500	16,667	38,833	233.0%
Application Fees	1,200	3,250											4,450	5,000	(550)	-11.0%
Miscellaneous Fees	111	-											111	-	111	#DIV/0!
Interest Income-Loans	46,345	34,256											80,601	101,505	(20,904)	-20.6%
Other Revenue	148	147											295	333	(38)	-11.4%
Total Operating Revenue:	**$ 196,961**	**$ 143,482**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 340,443**	**$ 603,276**	**$ (262,833)**	**-43.6%**
Operating Expenses:																
Employee Related Expense	$ 184,691	$ 205,508											$ 390,199	$ 372,515	$ 17,684	4.7%
Professional Services	34,833	55,636											90,469	346,512	(256,043)	-73.9%
Occupancy Costs	14,675	14,638											29,313	29,420	(107)	-0.4%
General & Administrative	32,495	28,375											60,870	71,000	(10,130)	-14.3%
Depreciation and Amortization	1,369	1,369											2,738	6,833	(4,095)	-59.9%
Total Operating Expense	**$ 268,063**	**$ 305,526**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 573,589**	**$ 826,280**	**$ (252,691)**	**-30.6%**
Operating Income(Loss)	**$ (71,102)**	**$ (162,044)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (233,146)**	**$ (223,004)**	**$ (10,142)**	**-4.5%**
Nonoperating Revenues (Expenses)																
Miscellaneous Non-Opertg Rev/(Exp)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -		$ -	#DIV/0!
Bad Debt Adjustments (Expense)	-	-											-	333	(333)	-100.0%
Interest and Investment Income*	57,689	72,944											130,633	66,667	63,966	95.9%
Realized Gain (Loss) on Sale of Invests	400	(10,790)											(10,390)	(4,167)	(6,223)	149.3%
Net Appreciation (Depr) in FV of Invests	21,175	32,623											53,798	(16,667)	70,465	-422.8%
Total Nonoperating Rev (Exp)	**$ 79,264**	**$ 94,777**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 174,041**	**$ 46,166**	**$ 127,875**	**277.0%**
Net Income (Loss) Before Transfers	**$ 8,162**	**$ (67,267)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (59,105)**	**$ (176,838)**	**$ 117,733**	**-66.6%**
Transfers:																
Transfers in from other funds	$ 3,057	$ -											$ 3,057	$ -	3,057	0.0%
Transfers out to other funds	(1,195)	-											(1,195)	-	(1,195)	0.0%
Total Transfers In (Out)	**$ 1,862**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,862**	**$ -**	**$ 1,862**	**0.0%**
Net Income (Loss)	**$ 10,024**	**$ (67,267)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (57,243)**	**$ (176,838)**	**$ 119,595**	**-67.6%**

ILLINOIS FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND NET INCOME
IFA FUNDS AND CUSTODIAL FUND ACTIVITY
FOR FISCAL YEAR 2019 AS OF AUGUST 31, 2018
(PRELIMINARY AND UNAUDITED)

	GENERAL FUND*	FIRE TRUCK REV LOAN FUND	AMBULANCE REV LOAN FUND	ALL OTHER NON-MAJOR	SUBTOTAL IFA FUNDS	OTHER STATE OF IL DEBT FUNDS	TOTAL ALL FUNDS	AGENCY FUNDS
Operating Revenues:								
Closing Fees	$ 160,571	$ -	$ -	$ -	$ 160,571	$ -	$ 160,571	$ -
Annual Fees	38,915	-	-	-	38,915	-	38,915	-
Administrative Service Fees	55,500	-	-	-	55,500	-	55,500	-
Application Fees	4,450	-	-	-	4,450	-	4,450	-
Miscellaneous Fees	111	73,705	-	-	73,816	-	73,816	-
Interest Income-Loans	80,601	2,321	248	-	83,170	7,519,984	7,603,154	-
Other Revenue	295	-	-	-	295	-	295	-
Total Operating Revenue:	**$ 340,443**	**$ 76,026**	**$ 248**	**$ -**	**$ 416,717**	**$ 7,519,984**	**$ 7,936,701**	**$ -**
Operating Expenses:								
Employee Related Expense	$ 390,199	$ -	$ -		$ 390,199	$ -	$ 390,199	$ -
Professional Services	90,469	500	500	1,000	92,469	-	92,469	-
Occupancy Costs	29,313	-	-	-	29,313	-	29,313	-
General & Administrative	60,870	-	-	-	60,870	-	60,870	-
Interest Expense	-	-	-	-	-	8,566,100	8,566,100	-
Depreciation and Amortization	2,738	-	-	-	2,738	-	2,738	-
Total Operating Expense	**$ 573,589**	**$ 500**	**$ 500**	**$ 1,000**	**$ 575,589**	**$ 8,566,100**	**$ 9,141,689**	**$ -**
Operating Income(Loss)	**$ (233,146)**	**$ 75,526**	**$ (252)**	**$ (1,000)**	**$ (158,872)**	**$ (1,046,116)**	**$ (1,204,988)**	**$ -**
Nonoperating Revenues (Expenses):								
Miscellaneous non-opertg rev/(exp)	$ -	$ -	$ -		$ -	$ -	$ -	$ -
Transfer of funds and program interest from the State of Illi	-	-	-	-	-	-	-	-
Interest and invesment income*	130,633	33,366	12,027	73,595	249,621	655,182	904,803	1
Realized Gain (Loss) on sale of investment	(10,390)	(17,387)	(12,259)	(4,844)	(44,880)	(181,210)	(226,090)	-
Net Appreciation (Depr) in fair value of investments**	53,798	8,409	3,422	22,641	88,270	572,144	660,414	-
Total Nonoperating Revenues (Expenses)	**$ 174,041**	**$ 24,388**	**$ 3,190**	**$ 91,392**	**$ 293,011**	**$ 1,046,116**	**$ 1,339,127**	**$ 1**
				-				
Net Income (Loss) Before Transfers	**$ (59,105)**	**$ 99,914**	**$ 2,938**	**$ 90,392**	**$ 134,139**	**$ -**	**$ 134,139**	**$ 1**
Transfers:								
Transfers in from other funds	$ 3,057	$ -	$ -	$ -	$ 3,057	$ -	$ 3,057	$ -
Transfers out to other funds	(1,195)	-	-	(1,862)	(3,057)	-	(3,057)	-
Total Transfers In (Out)	**$ 1,862**	**$ -**	**$ -**	**$ (1,862)**	**$ -**	**$ -**	**$ -**	**$ -**
Net Income (Loss)	**$ (57,243)**	**$ 99,914**	**$ 2,938**	**$ 88,530**	**$ 134,139**	**$ -**	**$ 134,139**	**$ 1**

ILLINOIS FINANCE AUTHORITY
STATEMENT OF NET POSITION
IFA FUNDS AND CUSTODIAL FUND ACTIVITY
August 31, 2018

	GENERAL FUND	FIRE TRUCK REV LOAN FUND	AMBULANCE REV LOAN FUND	ALL OTHER NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF IL DEBT FUNDS	TOTAL ALL FUNDS	METRO EAST POLICE DISTRICT COMMISSION
Assets and Deferred Outflows:								
Current Assets:								
Unrestricted:								
Cash & cash equivalents	$ 6,419,189	$ -	$ -	$ 341,374	$ 6,760,563		$ 6,760,563	$ -
Investments	35,126,212	-	-	3,677,025	38,803,237		38,803,237	-
Accounts receivable, Net	60,331	-	-	-	60,331		60,331	-
Loans receivables, Net	151,925	-	-	-	151,925		151,925	-
Accrued interest receivable	431,609	-	-	15,688	447,297		447,297	-
Bonds and notes receivable	1,180,200	-	-	-	1,180,200		1,180,200	-
Due from other funds	11,549	-	-		11,549		11,549	-
Prepaid Expenses	239,863	-	-		239,863		239,863	-
Total Current Unrestricted Assets	**$ 43,620,878**	**$ -**	**$ -**	**$ 4,034,087**	**$ 47,654,965**	**$ -**	**$ 47,654,965**	**$ -**
Restricted:								
Cash & Cash Equivalents	$ -	$ 1,500,253	$ 45,196	$ 370,158	$ 1,915,607	$ 30,072,064	$ 31,987,671	$ 3,257
Deposits in transit	-	85,167	-	-	85,167		85,167	-
Investments	-	4,112,077	2,843,252	10,291,252	17,246,581	229,576,251	246,822,832	-
Securities lending collateral equity with the Treasurer	-	-	-	-	-		-	-
Accrued interest receivable	-	28,846	10,112	45,477	84,435	83,576	168,011	-
Due from other funds	-		-		-		-	-
Due from primary government	-	-	-		-		-	-
Bonds and notes receivable from State component units	-		-		-		-	-
Loans receivables, Net	-	1,720,062	249,320	-	1,969,382	-	1,969,382	-
Total Current Restricted Assets	**$ -**	**$ 7,446,405**	**$ 3,147,880**	**$ 10,706,887**	**$ 21,301,172**	**$ 259,731,891**	**$ 281,033,063**	**$ 3,257**
Total Current Assets	**$ 43,620,878**	**$ 7,446,405**	**$ 3,147,880**	**$ 14,740,974**	**$ 68,956,137**	**$ 259,731,891**	**$ 328,688,028**	**$ 3,257**
Non-current Assets:								
Unrestricted:				-				
Investments	$ 5,985,716	$ -	$ -	$ 434,286	$ 6,420,002		$ 6,420,002	$ -
Loans receivables, Net	2,935,628	-	-	-	2,935,628		2,935,628	-
Bonds and notes receivable	8,890,837	-	-	-	8,890,837		8,890,837	-
Total Noncurrent Unrestricted Assets	**$ 17,812,181**	**$ -**	**$ -**	**$ 434,286**	**$ 18,246,467**	**$ -**	**$ 18,246,467**	**$ -**
Restricted:								
Cash & Cash Equivalents	$ -	$ -	$ -	$ -	$ -		$ -	$ -
Investments	-	-	-	961,017	961,017	-	961,017	-
Funds in the custody of the Treasurer	-	97,220	1	18,396,002	18,493,223		18,493,223	-
Loans receivables, Net	-	16,266,179	1,129,320	-	17,395,499		17,395,499	-
Bonds and notes receivable from primary government	-	-	-	-	-	979,227,863	979,227,863	-
Bonds and notes receivable from State component units	-	-	-	-	-	1,099,096	1,099,096	-
Total Noncurrent Restricted Assets	**$ -**	**$ 16,363,399**	**$ 1,129,321**	**$ 19,357,019**	**$ 36,849,739**	**$ 980,326,959**	**$ 1,017,176,698**	**$ -**
Capital Assets								
Capital Assets	$ 854,633	$ -	$ -	$ -	$ 854,633	$ -	$ 854,633	$ -
Accumulated Depreciation	(794,343)	-	-	-	(794,343)	-	(794,343)	-
Total Capital Assets	**$ 60,290**	**$ -**	**$ -**	**$ -**	**$ 60,290**	**$ -**	**$ 60,290**	**$ -**
Total Noncurrent Assets	**$ 17,872,471**	**$ 16,363,399**	**$ 1,129,321**	**$ 19,791,305**	**$ 55,156,496**	**$ 980,326,959**	**$ 1,035,483,455**	**$ -**
Total Assets	**$ 61,493,349**	**$ 23,809,804**	**$ 4,277,201**	**$ 34,532,279**	**$ 124,112,633**	**$ 1,240,058,850**	**$ 1,364,171,483**	**$ 3,257**
DEFERRED OUTFLOWS OF RESOURCES:								
Deferred loss on debt refunding	$ -	$ -	$ -	$ -	$ -	$ 265,582	$ 265,582	$ -
TOTAL DEFERRED OUTFLOWS OF RESOURCES	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 265,582**	**$ 265,582**	**$ -**
Total Assets & Deferred Inflows of Resources	**$ 61,493,349**	**$ 23,809,804**	**$ 4,277,201**	**$ 34,532,279**	**$ 124,112,633**	**$ 1,240,324,432**	**$ 1,364,437,065**	**$ 3,257**

Liabilities:
Current Liabilities:

ILLINOIS FINANCE AUTHORITY
STATEMENT OF NET POSITION
IFA FUNDS AND CUSTODIAL FUND ACTIVITY
August 31, 2018

	GENERAL FUND	FIRE TRUCK REV LOAN FUND	AMBULANCE REV LOAN FUND	ALL OTHER NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF IL DEBT FUNDS	TOTAL ALL FUNDS	METRO EAST POLICE DISTRICT COMMISSION
Payable from unrestricted current assets:								
Accounts payable	$ 318,625	$ -	$ -	$ -	$ 318,625	$ -	$ 318,625	$ -
Payables from pending investment purchases	1,269,772	131,657	-	84,986	1,486,415	-	1,486,415	-
Accrued liabilities	37,882	-	-	-	37,882	-	37,882	-
Payroll Tax Liability	30,412				30,412		30,412	
Due to employees	106,062	-	-	-	106,062	-	106,062	-
Due to primary government	50,001	-	-	-	50,001	-	50,001	-
Due to other funds	11,341	-	-	-	11,341	-	11,341	-
Other liabilities	-	-	-	-	-	-	-	3,256
Unearned revenue, net of accumulated amortization	92,636	-	-	-	92,636	-	92,636	
Total Current Liabilities Payable from Unrestricted Current Assets	**$ 1,916,731**	**$ 131,657**	**$ -**	**$ 84,986**	**$ 2,133,374**	**$ -**	**$ 2,133,374**	**$ 3,256**
Payable from restricted current assets:								
Accounts payable	-	-	-	-	-	-	-	-
Obligation under securites lending of the State Treasurer	-	-	-	-	-	-	-	-
Accrued interest payable	$ -	$ -	$ -	$ -	$ -	$ 8,575,002	$ 8,575,002	$ -
Due to other funds	-	-	-	208	208		208	-
Due to primary government	-	-	-	-	-		-	-
Bonds and notes payable from primary government	-	-	-	-	-	56,831,667	56,831,667	-
Bonds and notes payable from State component units	-	-	-	-	-	42,500	42,500	-
Current portion of long term debt	-	-	-	-	-		-	-
Other liabilities	-	-	-	-	-		-	-
Total Current Liabilities Payable from Restricted Current Assets	**$ -**	**$ -**	**$ -**	**$ 208**	**$ 208**	**$ 65,449,169**	**$ 65,449,377**	**$ -**
Total Current Liabilties	**$ 1,916,731**	**$ 131,657**	**$ -**	**$ 85,194**	**$ 2,133,582**	**$ 65,449,169**	**$ 67,582,751**	**$ 3,256**
Noncurrent Liabilities								
Payable from unrestricted noncurrent assets:								
Noncurrent payables	$ 585	$ -	$ -	$ -	$ 585	$ -	$ 585	$ -
Assets	**$ 585**	**$ -**	**$ -**	**$ -**	**$ 585**	**$ -**	**$ 585**	**$ -**
Payable from restricted noncurrent assets:								
Bonds and notes payable from primary government	$ -	$ -	$ -	$ -	$ -	$ 1,173,818,667	$ 1,173,818,667	$ -
Bonds and notes payable from State component units	-	-	-	-	-	1,056,596	1,056,596	-
Total Noncurrent Liabilities Payable from Restricted Noncurrent	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,174,875,263**	**$ 1,174,875,263**	**$ -**
Total Noncurrent Liabilities	**$ 585**	**$ -**	**$ -**	**$ -**	**$ 585**	**$ 1,174,875,263**	**$ 1,174,875,848**	**$ -**
Total Liabilities	**$ 1,917,316**	**$ 131,657**	**$ -**	**$ 85,194**	**$ 2,134,167**	**$ 1,240,324,432**	**$ 1,242,458,599**	**$ 3,256**
Net Position:								
Net Investment in Capital Assets	$ 60,290	$ -	$ -	$ -	$ 60,290	$ -	$ 60,290	$ -
Restricted for Locally Held Agricultural Guarantees	-	-	-	11,612,812	11,612,812	-	11,612,812	-
Restricted for Public Safety Loans	-	23,578,233	4,274,262	-	27,852,495	-	27,852,495	-
Restricted for Agricultural Guarantees and Rural Development Loans	-	-	-	18,366,624	18,366,624	-	18,366,624	-
Restricted for Low Income Community Investments	-	-	-	11,933	11,933	-	11,933	-
Unrestricted	59,572,986	-	-	4,367,185	63,940,171	-	63,940,171	-
Current Change in Net Position	(57,243)	99,914	2,939	88,531	134,141	-	134,141	1
Total Net Position	**$ 59,576,033**	**$ 23,678,147**	**$ 4,277,201**	**$ 34,447,085**	**$ 121,978,466**	**$ -**	**$ 121,978,466**	**$ 1**
Total Liabilities & Net Position	**$ 61,493,349**	**$ 23,809,804**	**$ 4,277,201**	**$ 34,532,279**	**$ 124,112,633**	**$ -**	**$ 1,364,437,065**	**$ 3,257**

STATE of ILLINOIS
DETAILED RECEIVABLES SUMMARY (UNAUDITED)
AS OF September 10, 2018

As of November 1, 2015 the Illinois Finance Authority has purchased the following receivables on behalf of the State of Illinois, pursuant to Resolutions 2015-1112-AD11 and 2016-0211-AD07:

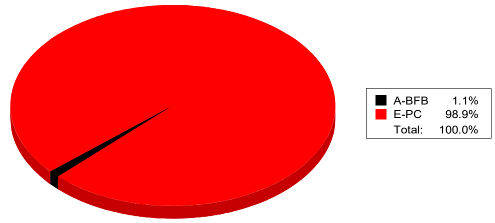
Vendor	Payment dates	Amount
Cosgrove Distributors Inc.	12/21/2015	$9,225.92
	Payment received by IFA	($9,225.92)
	Balance due from Cosgrove Distributors	$0.00
Grayboy Building Maintenance	12/16/2015	$15,790.36
	Payment received by IFA	($15,790.36)
	Balance due from Grayboy Building Maint.	$0.00
M. J. Kellner Co. Inc.	12/28/2015	$1,806,912.20
M. J. Kellner Co. Inc.	3/31/2016	1,929,224.10
	Payment received by IFA	($3,732,458.28)
	Balance due from M.J. Kellner	$3,678.02
Smith Maintenance Company	11/25/2015	$251,665.26
Smith Maintenance Company	12/29/2015	125,832.63
Smith Maintenance Company	2/10/2016	129,811.11
Smith Maintenance Company	3/21/2016	151,826.83
Smith Maintenance Company	4/14/2016	151,826.83
Smith Maintenance Company	5/19/2016	151,826.83
Smith Maintenance Company	6/23/2016	107,795.38
Smith Maintenance Company	7/21/2016	107,795.38
		$1,178,380.25
	Payment received by IFA	(1,178,380.25)
	Balance due from Smith Maintenance	$0.00
Sysco St. Louis LLC	12/16/2015	$32,418.85
Sysco St. Louis LLC	Payment received by IFA	($32,418.85)
	Balance due from Sysco St. Louis LLC	$0.00
	Total State of Illinois Assigned/Purchased Receivables	**$4,971,951.65**
	Total State of Illinois Assigned/Purchased Receivables Payment Received	**$4,968,273.63**
	Balance due from State of Illinois Assigned/Purchased Receivables	**$3,678.02**

Bonds Issued - Fiscal Year Comparison
for the Period Ending August 31, 2018

Fiscal Year 2019

#	Market Sector	Principal Issued
3	Agriculture - Beginner Farmer	816,551
2	Education	67,100,000
5		$67,916,551

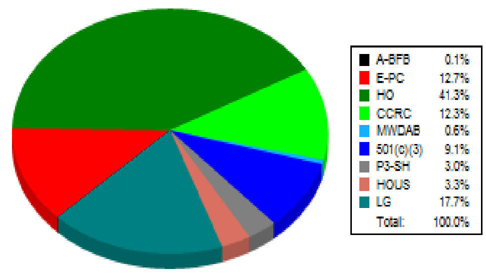
Bonds Issued in Fiscal Year 2019



Fiscal Year 2018

#	Market Sector	Principal Issued
15	Agriculture - Beginner Farmer	2,749,725
5	Education	403,755,000
7	Healthcare - Hospital	1,308,930,000
5	Healthcare - CCRC	388,700,000
1	Midwest Disaster Area Bonds	20,200,000
7	501(c)(3) Not-for-Profit	288,464,000
3	Multifamily/Senior/Not-for-Profit Housing	104,045,000
1	Local Government	560,025,000
1	P3 Student Housing	94,860,000
45		$3,171,728,725

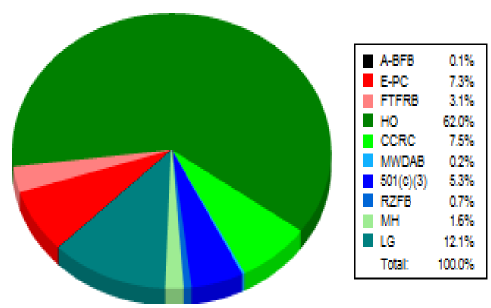
Bonds Issued in Fiscal Year 2018



Fiscal Year 2017

#	Market Sector	Principal Issued
18	Agriculture - Beginner Farmer	3,765,900
7	Education	304,222,000
1	Freight Transfer Facilities Bonds	130,000,000
12	Healthcare - Hospital	2,568,650,000
7	Healthcare - CCRC	310,364,967
1	Midwest Disaster Area Bonds	9,969,162
7	501(c)(3) Not-for-Profit	221,407,000
2	Recovery Zone Facilities Bonds	28,951,409
2	Multifamily/Senior/Not-for-Profit Housing	65,365,000
1	Local Government	500,000,000
58		$ 4,142,695,438

Bonds Issued in Fiscal Year 2017



Bonds Issued and Outstanding as of August 31, 2018

Bonds Issued between July 01, 2018 and August 31, 2018

Bond Issue		Date Issued	Initial Interest Rate	Principal Issued	Bonds Refunded
A-BFB	Beginner Farmer Bond	07/01/2018	Variable	816,551	0
E-PC	DePaul University	07/11/2018	Variable	29,420,000	0
E-PC	East Prairie School District Number 73 Series, 2018	08/02/2018	Fixed at Schedule	37,680,000	0
			Total Bonds Issued as of August 31, 2018	$ 67,916,551	$ 0

Legend: Fixed Rate Bonds as shown
DP-VRB = initial interest rate at the time of issuance on a Direct Purchase Bond
VRB = initial interest rate at the time of issuance on a Variable Rate Bond that does not include the cost of the LOC arrangement.
Beginner Farmer Bonds interest rates are shown in section below.

Beginner Farmer Bonds Funded between July 01, 2018 and August 31, 2018

Date Funded	Initial Interest Rate	Loan Proceeds	Acres	County
07/11/2018	4.0	220,000	40.00	Christian
07/25/2018	4.32	327,000	30.00	Effingham
08/27/2018	3.75	269,551	55.70	Ford
Total Beginner Farmer Bonds Issued		$ 816,551	125.70	

ILLINOIS FINANCE AUTHORITY

Schedule of Debt [a]

Conduit debt issued under the Illinois Finance Authority Act [20 ILCS 3501/845-5(a)] which does not constitute an indebtedness or an obligation, either general or moral, or a pledge of the full faith or a loan of the Authority, the State of Illinois or any Political Subdivision of the State within the purview of any constitutional or statutory limitation or provisions with special limited obligations of the Authority secured under provisions of the individual Bond Indentures and Loan Agreements with the exception of the bonds identified below in Section I (b) -- General Purpose Moral Obligation/State Component Parts -- which are subject to the $28.15B cap in Section 845-5(a).

Section I (a)

	Principal Outstanding June 30, 2018	# August 31, 2018	Program Limitations	Remaining Capacity
Illinois Finance Authority "IFA" [b]				
Agriculture	$ 49,472,651	$ 50,838,902		
Education	$ 4,477,897,202	4,425,376,790		
Healthcare	$ 14,843,694,207	14,745,446,623		
Industrial Development [includes Recovery Zone/Midwest Disaster]	$ 904,938,924	894,178,782		
Local Government	$ 1,222,240,000	1,190,290,000		
Multifamily/Senior/Not-for Profit Housing	$ 280,530,850	280,191,722		
501(c)(3) Not-for Profits	$ 1,486,469,510	1,470,399,599		
Exempt Facilities Bonds	$ 203,500,000	203,500,000		
Student Housing	$ 320,275,000	319,955,000		
Total IFA Principal Outstanding	**$ 23,789,018,344**	**$ 23,580,177,418**		
Illinois Development Finance Authority "IDFA" [b]				
Education				
Healthcare	70,000,000	70,000,000		
Industrial Development	119,007,744	118,384,827		
Local Government	159,951,782	159,951,783		
Multifamily/Senior/Not-for Profit Housing	48,380,591	48,313,275		
501(c)(3) Not-for Profits	431,969,575	374,476,308		
Exempt Facilities Bonds				
Total IDFA Principal Outstanding	**$ 829,309,692**	**$ 771,126,192**		
Illinois Rural Bond Bank "IRBB" [b]				
Total IRBB Principal Outstanding	**$ -**	**$ -**		
Illinois Health Facilities Authority "IHFA"	**$ 133,470,000**	**$ 130,590,000**		
Illinois Educational Facilities Authority "IEFA"	**$ 369,618,000**	**$ 367,342,000**		
Illinois Farm Development Authority "IFDA" [f]	**$ 11,158,212**	**$ 11,158,212**		
Total Illinois Finance Authority Debt	**$ 25,132,574,248**	**$ 24,860,393,822**	**$ 28,150,000,000**	**$ 3,289,606,178**

Issued under the Illinois Finance Authority Act [20 ILCS 3501/845-5(a)]

Section I (b)

	Principal Outstanding June 30, 2018	August 31, 2018	Program Limitations	Remaining Capacity
General Purpose Moral Obligations				
Illinois Finance Authority Act [20 ILCS 3501/801-40(w)]				
* Issued through IRBB - Local Government Pools				
*Issued through IFA - Local Government Pools				
Issued through IFA - Illinois Medical District Commission		-		
Total General Moral Obligations	**$ -**	**$ -**	**$ 150,000,000**	**$ 150,000,000**

* All the Local Government bonds were defeased as of August 1, 2014.

	June 30, 2018	August 31, 2018	Program Limitations	Remaining Capacity
Financially Distressed Cities Moral Obligations				
Illinois Finance Authority Act [20 ILCS 3501/825-60]				
Issued through IFA	$ -	$ -		
Issued through IDFA	-	-		
Total Financially Distressed Cities	**$ -**	**$ -**	**$ 50,000,000**	**$ 50,000,000**
State Component Unit Bonds [c]				
Issued through IDFA [i]	-	-		
Issued through IFA [i]	1,095,214,096	1,063,237,749		
Total State Component Unit Bonds	**$ 1,095,214,096**	**$ 1,063,237,749**		

Designated exclusive Issuer by the Governor of the State of Illinois to issue Midwestern Disaster Area Bonds in Illinois. This Federal program expired as of December 31, 2012.

Section I (c)

	Principal Outstanding June 30, 2018	August 31, 2018	Remaining MDAB Volume Cap
Midwestern Disaster Area Bonds [Flood Relief]	**$ 62,795,488**	**$ 62,698,535**	**N/A**

Designated by the Governor of the State of Illinois to manage and coordinate the re-allocation of Federal ARRA Volume Cap and the issuance of Recovery Zone Bonds in the State of Illinois to fully utilize RZBs before December 31, 2010.

Section I (d)

	ARRA Act of 2009 Volume Cap Allocated [h]	City/Counties Ceded Voluntarily to/(by) IFA	Bonds issued as of December 31, 2014	Remaining ARRA Volume Cap for each Program as of December 31, 2014
Recovery Zone Economic Development Bonds**	**$ 666,972,000**	**$ 16,940,000**	**$ 12,900,000**	N/A
Recovery Zone Facilities Bonds**	**$ 1,000,457,000**	**$ 204,058,967**	**$ 214,849,804**	N/A
Qualified Energy Conservation Bonds***	**$ 133,846,000**	**$ (17,865,000)**	**$ 82,795,000**	**IFA Cap: $4,755,783 Cities/Counties Cap: $46,295,717**

** Programs expired as of 12/31/2010. There have been no new issues subsequent to the expiration date of these Federal programs.

*** The IFA manages the QECB allocation for the entire State of Illinois. All QECB's to date have been issued by local governments or state universities. The QECB program currently has no set expiration date under Federal law. *IFA's remaining QECB allocation of $4,755,783 has been reserved for use by state universities.*

ILLINOIS FINANCE AUTHORITY

Schedule of Debt [a]

Issued under the Illinois Finance Authority Act [20 ILCS 3501/845-5(b)]

Section II

	Principal Outstanding June 30, 2018	Principal Outstanding August 31, 2018	Program Limitations	Remaining Capacity
Illinois Power Agency	**$ -**	**$ -**	**$ 4,000,000,000**	**$ 4,000,000,000**

Illinois Finance Authority Act [20 ILCS 3501 Section 825-65(f); 825-70 and 825-75] - see also P.A. 96-103 effective 01/01/2010

Section III

	Principal Outstanding June 30, 2018	Principal Outstanding August 31, 2018	Program Limitations	Remaining Capacity
Clean Coal, Coal, Renewable Energy and Energy Efficiency Projects	**$ -**	**$ -**	**$ 3,000,000,000** [d]	**$ 3,000,000,000**

Issued under the Illinois Finance Authority Act [20 ILCS 3501 Sections 830-25 (see also P.A.96-103); 830-30; 830-35; 830-45 and 830-50]

Section IV

	Principal Outstanding June 30, 2018	Principal Outstanding August 31, 2018	Program Limitations	Remaining Capacity	State Exposure
Agri Debt Guarantees [Restructuring Existing Debt]					
Fund # 994 - Fund Balance $10,310,503	**$ 3,934,187**	**$ 3,912,840**	**$ 160,000,000**	**$ 156,087,160**	**$ 3,325,914**
AG Loan Guarantee Program					
Fund # 205 - Fund Balance $8,085,499	**$ 2,551,473**	**$ 2,551,473**	**$ 225,000,000** [e]	**$ 222,448,527**	**$ 2,168,752**
Agri Industry Loan Guarantee Program	$ -				
Farm Purchase Guarantee Program	846,314	846,314			719,367
Specialized Livestock Guarantee Program	1,143,256	1,143,256			971,768
Young Farmer Loan Guarantee Program	561,903	561,903			477,618
Total State Guarantees	**$ 6,485,660**	**$ 6,464,313**	**$ 385,000,000**	**$ 378,535,687**	**$ 5,494,666**

Issued under the Illinois Finance Authority Act [20 ILCS 3501 Sections 825-80 and 825-85

Section V

			5794716.8 Principal Outstanding June 30, 2018	Principal Outstanding August 31, 2018	Cash and Investment Balance
155	Fire Truck Revolving Loan Program	**Fund # 572**	**$ 18,009,260**	**$ 17,986,241**	**$ 5,794,717**
22	Ambulance Revolving Loan Program	**Fund # 334**	**$ 1,378,640**	**$ 1,378,640**	**$ 2,888,449**

Note: Due to deposits in transit, the Fund Balance at the IOC may differ from the IFA General Ledger. In May, 2014 the OSF transferred the Fund Balance to a Locally Held Fund by the IFA.

Issued under the Illinois Environmental Facilities Financing Act [20 ILCS 3515/9]

Section VI

	Principal Outstanding June 30, 2018	Principal Outstanding August 31, 2018	Program Limitations	Remaining Capacity
Environmental [Large Business]				
Issued through IFA	$ 58,975,000	$ 58,975,000		
Issued through IDFA	47,505,000	47,505,000		
Total Environmental [Large Business]	**$ 106,480,000**	**$ 106,480,000**	**$ 2,425,000,000**	**$ 2,318,520,000**
Environmental [Small Business]	$ -	$ -	**$ 75,000,000**	**$ 75,000,000**
Total Environment Bonds Issued under Act	**$ 106,480,000**	**$ 106,480,000**	**$ 2,500,000,000**	**$ 2,393,520,000**

Illinois Finance Authority Funds at Risk

Section VII

	Original Amount	Principal Outstanding June 30, 2018	Principal Outstanding August 31, 2018
Participation Loans			
Business & Industry	**23,020,158**	**89,384**	**107,378**
Agriculture	**6,079,859**		
Participation Loans excluding Defaults & Allowances	**29,100,017**	**89,384**	**107,378**
Plus: Legacy IDFA Loans in Default		**3,170**	**3,170**
Less: Allowance for Doubtful Accounts		**5,165**	**5,165**
Total Participation Loans		**87,389**	**105,383**
Local Government Direct Loans	**1,289,750**	**501,477**	**501,477**
Rural Bond Bank Local Government Note Receivable		**10,071,037**	**10,071,037**
FmHA Loans	**963,250**	**140,447**	**139,517**
Renewable Energy [RED Fund]	**2,000,000**		**-**
Total Loans Outstanding	**34,353,017**	**10,800,350**	**10,817,413**

IRBB funds were defeased and transferred into a note receivable with the IFA.

Higher Education Loan Act (110 ILCS 945 or "HELA")

Section VIII

	Principal Outstanding June 30, 2018	Principal Outstanding August 31, 2018	Statutory Debt Limitation	Remaining HELA Debt Limitation
Midwestern University Foundation - Student Loan Program Revenue Bonds	**$ 15,000,000**	**$ 15,000,000**	**$ 200,000,000** [d]	**$ 185,000,000**

[a] Total subject to change; late month payment data may not be included at issuance of report.

[b] State Component Unit Bonds included in balance.

[c] Does not include Unamortized issuance premium as reported in Audited Financials.

[d] Program Limitation reflects the increase to $3 billion effective 01/01/2010 under P.A. 96-103.

[e] Program Limitation reflects the increase from $75 million to $225 million effective 01/01/2010 under P.A. 96-103.

[f] Beginner Farmer Bonds are currently updated annually; new bonds will be added under the Illinois Finance Authority when the bond closes.

[g] Midwestern Disaster Area Bonds - Illinois Counties eligible for Midwest Disaster Bonds included Adams, Calhoun, Clark, Coles, Crawford, Cumberland, Douglas, Edgar, Hancock, Henderson, Jasper, Jersey, Lake, Lawrence, Mercer, Rock Island, Whiteside and Winnebago.

[h] Recovery Zone Facility Revenue Bonds - Federal government allocated volume cap directly to all 102 Illinois counties and 8 municipalities with population of 100,000 or more. [Public Act 96-1020]

[i] Includes EPA Clean Water Revolving Fund

ILLINOIS FINANCE AUTHORITY
PROCUREMENT REPORT OF ACTIVITY SINCE PRIOR BOARD REPORT

BOARD MEETING
September 11, 2018

CONTRACTS/AMENDMENTS EXECUTED					
	Vendor	**Initial Term**	**Estimated Not to Exceed Value**	**Action/Proposed Method of Procurement**	**Products/Services Provided**
Illinois Procurement Code-Small Purchases	MxSave	08/10/2018	$588	BidBuy PO	Disaster recovery for email
	GoDaddy	10/23/2018	$350	Purchase again via Small Purchase with incumbent.	SSL Certificate for *.il-fa.com
Illinois Procurement Code-Order Against Master	CDW Government LLC	08/30/2018	$6,093	BidBuy PO with State Master.	Cisco switches, firewall, router support
Illinois Procurement Code – Exempt	Acacia Financial Group, Inc.	09/15/2018-03/14/19	$120,000	6 month extension and $120K increase in contract amount; RFP in process	Financial Advisors
	Sycamore Advisors, LLC	09/15/2018-03/14/19	$120,000	6 month extension and $120K increase in contract amount; RFP in process	Financial Advisors

ILLINOIS FINANCE AUTHORITY
PROCUREMENT REPORT OF ACTIVITY SINCE PRIOR BOARD REPORT

BOARD MEETING
September 11, 2018

EXPIRING CONTRACTS					
	Vendor	**Expiration Date**	**Estimated Not to Exceed Value**	**Action/Proposed Method of Procurement**	**Products/Services Provided**
Illinois Procurement Code-Small Purchases	SHI International Corp	10/16/2018	$4,560	BidBuy Bid	Enterprise Mobility Mgmt System
	WellSpring Software, Inc.	10/30/2018	$100	Purchase again via Small Purchase with incumbent.	Annual support for software to print checks
	Sullivan Reporting	10/31/2018	$15,500	Purchase again via Small Purchase with incumbent.	Transcription Services
	United Parcel Service	11/21/2018	$4,000	BidBuy PO with State Master	Package Delivery
	Google Ad	12/3/2018	$4,500	Purchase again via Small Purchase with incumbent.	IFA Ad Page
	Network Solutions IDFA	12/20/2018	$39	Purchase again via Small Purchase with incumbent.	Renewal of www.idfa.com
Illinois Procurement Code-Competitive Bids	ClearArc Capital, Inc.	12/26/2018	$900,000	RFP	Investment Management Services
Illinois Procurement Code-Sole economically feasible Purchase	Bloomberg Finance L.P. - Anywhere	12/30/2018	$43,200	Sole economically feasible with incumbent.	Bloomberg Terminal License
Illinois Procurement Code-Anticipation of Litigation	G&R Public Law & Strategies	11/18/2018	$100,000	Expire	Anticipation of Litigation
	Jenner & Block LLP	12/8/2018	$250,000	Expire	Anticipation of Litigation
Illinois Procurement Code-Order Against Master	Enterprise Car Rental	12/31/2018	$5,000	Continue with State Master. State in process with RFP	Car Rental

IFA
ILLINOIS FINANCE AUTHORITY

160 North LaSalle Street
Suite S-1000
Chicago, IL 60601
312-651-1300
312-651-1350 fax
www.il-fa.com

Date: September 11, 2018

Subject: ***Minutes of the August 14, 2018 Regular Meeting***

To:

Eric Anderberg, Chairman	Lyle McCoy
Gila J. Bronner	Shaun Murphy
James J. Fuentes	George Obernagel
Michael W. Goetz	Terrence M. O'Brien
Neil Heller	Roger Poole
Robert Horne	Beth Smoots
Mayor Arlene A. Juracek	Bradley A. Zeller
Lerry Knox	

Dear Members of the Authority:

Please find enclosed the Report of Proceedings prepared by Sullivan Reporting Co. (the "**Minutes**") in connection with the regular meeting of the Members of the Illinois Finance Authority (the "**Authority**"), begun and held at the Michael A. Bilandic Building, 160 North LaSalle Street, Suite S-1000, Chicago, Illinois 60601, on the second Tuesday of August in the year 2018, pursuant to the provisions of Section 801-25 and Section 801-30 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. of the State of Illinois (the "**Act**").

To aid in your review of the Minutes, please reference the following pages and line numbers for corresponding sections of the respective meeting's agenda:

ILLINOIS FINANCE AUTHORITY
REGULAR MEETING
Tuesday, August 14, 2018
9:30 AM

AGENDA:

I. Call to Order & Roll Call
(page 3, line 1 through page 5, line 3)

II. Approval of Agenda
(page 5, lines 4 through 18)

III. Public Comment
(page 5, lines 19 through 21)

IV. Chairman's Remarks
(page 5, line 22 through page 6 line 4)

V. Message from the Executive Director
(page 6, line 5 through page 11, line 7)

VI. Committee Reports
(page 11, lines 8 through 17)

VII. Presentation and Consideration of New Business Items
(page 11, line 18 through page 22, line 5)

VIII. Presentation and Consideration of Financial Reports
(page 22, line 6 through page 24, line 15)

IX. Monthly Procurement Report
(page 24, line 16 through page 25 line 5)

X. Correction and Approval of Minutes
(page 25, lines 6 through 21)

XI. Other Business
(page 25, line 22 through page 26 line 13)

XII. Closed Session
(page 26, lines 14 through 16)

XIII. Adjournment
(page 26, line 17 through page 27, line 9)

The Minutes of the regular meeting of the Authority are further supplemented by a summary of the respective meeting's voting record prepared by Authority staff (the "**Voting Record**"), which is also enclosed.

Please contact an Assistant Secretary to report any substantive edits to the enclosures.

Respectfully submitted,

/s/ Ryan Oechsler
Associate General Counsel

Enclosures: 1. Minutes of the August 14, 2018 Regular Meeting
2. Voting Record of the August 14, 2018 Regular Meeting

ILLINOIS FINANCE AUTHORITY
REGULAR MEETING
August 14, 2018, at 9:30 a.m.

REPORT OF PROCEEDINGS had at the Regular Meeting of the Illinois Finance Authority on July 10, 2018, at the hour of 9:30 a.m., pursuant to notice, at 160 North LaSalle Street, Suite S-1000, Chicago, Illinois.

APPEARANCES:

CHAIRMAN ERIC ANDERBERG
MR. JAMES J. FUENTES
MR. MIKE GOETZ
MR. NEIL HELLER
MS. ARLENE A. JURACEK
MR. LERRY KNOX
MR. E. LYLE McCOY
MR. TERRENCE M. O'BRIEN
MR. ROGER POOLE
MS. BETH SMOOTS
MR. BRADLEY A. ZELLER (via audio conference)

ILLINOIS FINANCE AUTHORITY STAFF MEMBERS

MR. CHRISTOPHER B. MEISTER, Executive Director
MR. RICH FRAMPTON, Vice President
MS. PAMELA LENANE, Vice President
MR. BRAD FLETCHER, Vice-President
MR. RYAN OECHSLER, IFA Associate General Counsel
MR. TERRY FRANZEN, Procurement
MS. XIMENA GRANDA, Senior Controller
MS. ELIZABETH WEBER, General Counsel and Legal Adviser to the Board

GUESTS:

MR. TOM OTT, Vice President, Treasury, OSF Healthcare System

SULLIVAN REPORTING COMPANY, by
Brad Benjamin, CSR
License No. 084-004805

CHAIRMAN ANDERBERG: Good morning. I'd like to call the meeting to order.

Will the Assistant Secretary please call the roll?

FLETCHER: Certainly. The time is 9:30 a.m. I'll call the roll of Members physically present in the room first.

Mr. Fuentes?

FUENTES: Here.

FLETCHER: Mr. Goetz?

GOETZ: Here.

FLETCHER: Mr. Heller?

HELLER: Here.

FLETCHER: Ms. Juracek?

JURACEK: Here.

FLETCHER: Mr. Knox?

KNOX: Here.

FLETCHER: Mr. McCoy?

McCOY: Here.

FLETCHER: Mr. O'Brien?

O'BRIEN: Here.

FLETCHER: Mr. Poole?

POOLE: Here.

FLETCHER: Ms. Smoots?

SMOOTS: Here.

FLETCHER: And Mr. Chairman?

CHAIRMAN ANDERBERG: Here.

FLETCHER: Mr. Chairman, a quorum of Members physically present in the room has been constituted.

At this time, I'd like to ask if any Members wish to attend via audio conference?

ZELLER: Brad Zeller.

FLETCHER: And why are you requesting to attend via audio conference today?

ZELLER: I was unable to attend the meeting due to work purpose.

FLETCHER: Thank you.

CHAIRMAN ANDERBERG: Is there a motion to approve this request pursuant to the bylaws and policies of the Authority?

FUENTES: So moved.

GOETZ: Second.

CHAIRMAN ANDERBERG: We have a motion and a second.

All those in favor?

(Chorus of ayes.)

CHAIRMAN ANDERBERG: Opposed?

(No response.)

CHAIRMAN ANDERBERG: The ayes have it.

FLETCHER: Mr. Chairman, Member Zeller has been added to the initial quorum roll call.

CHAIRMAN ANDERBERG: Does anyone wish to make any additions, edits, or corrections to today's Agenda?

(No response.)

CHAIRMAN ANDERBERG: I would like to request a motion to approve the Agenda.

Is there such a motion?

McCOY: So moved.

GOETZ: Second.

CHAIRMAN ANDERBERG: A motion and a second.

All in favor?

(Chorus of ayes.)

CHAIRMAN ANDERBERG: Opposed?

(No response.)

CHAIRMAN ANDERBERG: The ayes have it.

Is there any public comment for the Members?

(No response.)

CHAIRMAN ANDERBERG: Good.

Chairman's Remarks: I just want to -- we initiated a transformation of the IFA to broaden

our scope, and we have some individuals here, and I'll let Chris introduce them, but thank you for joining and being here today.

Chris?

MEISTER: Thank you, Mr. Chairman. As noted in my written message, we're very pleased to welcome OSF Healthcare System, an important contributor to quality of life and health in central and northern Illinois, and one of the Authority's valued conduit borrowers, to our agenda.

And Tom Ott is here. Tom, could you -- Yes?

MR. TOM OTT: Yes.

MEISTER: And Pam will recognize you, but welcome, Tom.

MR. TOM OTT: Thank you.

MEISTER: We're very pleased to be here -- that you're here. And then, also, we have a team of the professionals here, which -- who Pam will introduce.

It's also a great pleasure, you know, talking about the impact of the Authority, to welcome Perspectives Charter School and its projects on Chicago's South Side to our agenda. Those -- those will be considered.

I do want to direct the Members' attention to your red folders, and we've got some public documents on two Authority Conduit transactions.

So the first is a voluntary public disclosure that covers each of the five Conduit issues, quote, approved, considered, and closed, by the Authority between 2016 and 2018 on behalf of the Better Housing Foundation, a 501(c)(3) organization. These are affordable housing scattered-site projects in the City of Chicago and northeastern Illinois. This disclosure was publically posted on the MSRB's EMMA website on August 1st, 2018.

Behind that, there is also an S&P Global Ratings report, also dated August the 1st, 2018, on two of the Better Housing Foundation's five projects that were closed in 2016 and 2017. As the Members know, I spoke about these transactions, both at our June meeting and at our July meeting.

And then, finally, there is an S&P Global Ratings report dated July 23rd, 2018, on the Collegiate Housing Foundation-Cook, L.L.C. [sic], project tied to Northeastern Illinois University that was closed in 2015.

All three documents speak for themselves, but I will take any questions if anybody has them, or Elizabeth, Rich and I can discuss in detail with the Members afterwards.

Any questions?

(No response.)

MEISTER: So second, and as referenced by Chairman Anderberg on the organizational front and consistent with the Authority's transformation initiative, we've had a number of developments recently regarding personnel. We have a number of these member- -- a number of these folks in the room as well.

So first, Elizabeth Weber, our general counsel, has been promoted from strictly general counsel to general counsel and legal adviser to the Board. Elizabeth also serves as Board Secretary.

Six Granda has been promoted from Controller to Senior Controller, and Brad Fletcher has been promoted from Assistant Vice President to full Vice President. Brad also serves as treasurer, and one of the Assistant Secretaries to the Board along with Mari Money and Ryan Oechsler.

With respect to new senior additions

by way of personal services contracts, we are welcoming Bill Atwood -- raise your hand, Bill. He is the Vice President of Public Infrastructure Fund, one of the Transformation Initiative items. Bill recently concluded long-time service as Executive Director of the Illinois State Board of Investments.

Lisa Bonnett, who is not here today, but she serves as Vice President of Water Policy. And up until 2015, Lisa was Executive Director, and then formerly CFO of the Illinois Environmental Protection Agency.

And Tom Morsch is in the room with us; Tom? He's Vice President of Innovative Finance and Delivery, or Public/Private Partnerships. And Tom recently stepped down from the national financial advisory firm PFM, and worked with Lisa to set the stage for the revived and expanded IEPA State Revolving Fund back in 2013, and was executive director of the Illinois Tollway. We're happy to have Bill, Lisa, and Tom with us.

Also, Sarah Mankowski -- Sarah, raise your hand -- in red -- is our Human Resources Manager that is helping us and stepped -- stepped into the shoes that had been filled by Janella Kaczanko, in

helping us build out the human talent that we're going to need in order to grow in the future.

Cameron Wilson, fresh from the University of Michigan Law School, is joining us, working with Elizabeth and Ryan as a legal fellow.

And then, I do want to recognize -- I think you may have met them back in June and July, the Authority's Curry Interns, Malcolm Simmons -- Malcolm, raise your hand -- and Ryan Breach. Malcolm is here; Ryan has returned with -- to UIC, and we're working with - hope to keep both Malcolm and Ryan with us as their schedules allow.

And then, we've had some departures. Patrick Evans of our Springfield office resigned effective August the 13th.

And then, Stan Luboff is going to be leaving us. I don't see Stan; I thought he was in the last meeting. But he is going to be leaving full-time as Vice President of Loans and Guarantees. We hope to keep him involved in the future.

And we are moving ahead with the posting of the first of a number of job postings, and I'll be circulating those to the Board after the meeting: procurement analyst and vice president of loan and guarantees. There are a number of other positions that we're working on, consistent with the Transformation Initiative and the FY '19 Budget.

Are there any questions?

(No response.)

MEISTER: Okay. Thank you.

CHAIRMAN ANDERBERG: Thank you, Chris.

Committee reports?

McCOY: Committee reports. Thank you, Mr. Chairman.

The Tax-Exempt Conduit Transaction Committee met earlier this morning and voted unanimously to recommend for approval the following New Business Items on today's Agenda: OSF Healthcare System, Perspectives Charter School, and two Beginning Farmer Bonds.

CHAIRMAN ANDERBERG: Thank you.

I'd like to ask for the general consent of the Members to consider the New Business items collectively, and have the subsequent recorded vote applied to each respective individual item unless there are any specific New Business items that a Member would like to consider separately.

GOETZ: Yes, Mr. Chairman. I'd like to recuse

myself from any deliberations and voting with respect to No. 1, OSF Healthcare Systems, of the New Business items because I have a family member who works for the financial adviser in the transaction.

CHAIRMAN ANDERBERG: All right. Thank you. Thank you, Mike.

First, I'd like to consider New Business Item No. 1, OSF Healthcare System, and take a roll call vote. Then, we'll consider the remaining New Business items under a consent agenda and take a final vote at the end.

So Mr. Goetz will leave the room.

FLETCHER: Please let the record reflect that Member Goetz exited the room.

Go ahead.

LENANE: OSF -- Staff requests approval for a one-time Final Bond Resolution for OSF Healthcare System in an amount not-to-exceed $550 mil- --

FLETCHER: Pam.

LENANE: Oh. I'm sorry. Okay.

At this time, I would like to note that for each Tax-Exempt Conduit New Business item presented on today's agenda, Items 2, 3 -- Items 1, 2, 3A and 3B, the Members are considering approval of the Resolution and the not-to-exceed amount contained therein.

Okay. OSF Healthcare System is requesting a one-time Final Bond Resolution in an amount not-to-exceed $550 million. The Bond proceeds will be used to pay or reimburse OSF for, or refinance the costs of acquiring, constructing, remodeling, renovating, and equipping certain healthcare facilities.

Bond proceeds will also be used to refund the following Bonds previously issued by the Authority on behalf of OSF: the Series 2007E Bonds; the 2007F Bonds; the 2009B Bonds; the 2009C Bonds; the 2009D Bonds; and then the Bonds that were issued last December: the 2017A Bonds, the 2017B Bonds, and the 2017C Bonds.

A portion of the proceeds may be used to provide working capital to OSF, fund a debt service reserve, or pay a portion of the interest on the debt, if necessary or advisable.

OSF expects its ratings of A2 by Moody's and A by S&P to be reaffirmed in connection with the issuance of the Series 2018 Bonds.

Does any Member have any questions or

comments?

(No response.)

LENANE: Okay. Now I'm going to introduce Tom Ott.

And now, I'd like to introduce Tom Ott, the vice president, Treasury, OSF Healthcare System, to make a few remarks.

MR. TOM OTT: Thank you, Pam. Good morning, Chairman, good morning, Board Members.

Take a step back, 10 mints -- 10 months ago, I got in front of you looking for financing for the purchase of hospitals in central Illinois, $235 million. And we were trying to beat the 12/31 deadline for the tax-exempt financing, which we did. However, didn't really have to get all those gray hairs doing so, but a big thank you for your part.

Over the last four or five months, we did take a look at our capital structure and our balance sheet, and we decided, You know what, good time to lock in fixed long-term rates. So our goal, in the next month or two, is to refund the Bond that we did in November and some variable rate Bonds, and push those to fixed rate. Give us a little bit more flexibility in our financing going forward, de-risk the balance sheet, and again, just take advantage of long-term fixed rates.

No new money, just really, basically, debt to debt on the balance sheet.

CHAIRMAN ANDERBERG: Thank you, Tom.

MR. TOM OTT: Thank you.

CHAIRMAN ANDERBERG: Thank you.

LENANE: And since Chris said I'm going to introduce the members of the team, I will. In the back here, we have Jonathan Ma from Morgan Stanley; John Bibby, bond counsel, from Chapman & Cutler; Megan O'Keefe from J.P. Morgan, and Jacob Pancratz from J.P. Morgan.

Oh. They're investment bankers. John is a lawyer. They're good people.

Anyway.

MEISTER: And if I may, Pam, again, for -- for the Board Members and some of the newer Board Members, Megan and Jonathan played a key role in the Presence transaction a couple of years ago. So...

LENANE: For which we --

MEISTER: Oh, yeah. Yes.

LENANE: Megan and Jake.

MEISTER: Megan and Jake.

LENANE: For which we won the Bond Buyer Healthcare Deal of the Year Award in 20- --

MS. MEGAN O'KEEFE: '16.

LENANE: -- 16. '16.

MEISTER: Yes.

LENANE: And we all went to New York, and it was really grand. Well, not going to New York; the event itself was very grand, and we were very pleased.

MEISTER: Yes.

LENANE: And now --

MEISTER: It was a great honor for the Authority.

LENANE: It was. And now, as Presence is go- -- owned by Ascension, right? Ascension.

So it's on to you, Chairman.

Thank you.

CHAIRMAN ANDERBERG: Thank you. And thank you, Mr. Ott, for coming today.

MR. TOM OTT: Thank you for having me.

CHAIRMAN ANDERBERG: Okay. I would like to request a motion to pass and adopt the following New Business item, No. 1.

Is there such a motion?

McCOY: So moved.

FUENTES: Second.

CHAIRMAN ANDERBERG: We have a motion and a second.

Will the Assistant Secretary please call the roll?

FLETCHER: On the motion and second, I'll call the roll.

Mr. Fuentes?

FUENTES: Yes.

FLETCHER: Mr. Heller?

HELLER: Yes.

FLETCHER: Ms. Juracek?

JURACEK: Yes.

FLETCHER: Mr. Knox?

KNOX: Yes.

FLETCHER: Mr. McCoy?

McCOY: Yes.

FLETCHER: Mr. O'Brien?

O'BRIEN: Yes.

FLETCHER: Mr. Poole?

POOLE: Yes.

FLETCHER: Ms. Smoots?

SMOOTS: Yes.

FLETCHER: Mr. Zeller, via audio conference?

ZELLER: Yes.

FLETCHER: And Mr. Chairman?

CHAIRMAN ANDERBERG: Yes.

FLETCHER: Mr. Chairman, the motion carries.

CHAIRMAN ANDERBERG: Thank you.

Okay. Mr. Goetz can come back in.

FLETCHER: Please let the record reflect that Member Goetz has returned to the room.

LENANE: Okay. Item 2 on the Agenda is Perspectives Charter School.

Staff requests approval of a one-time Final Bond Resolution for Perspectives Charter School in an amount not to exceed $35 million. Bond proceeds will be used by the Borrower to finance the acquisition and renovation of approximately -- of an approximately 115,000-square-foot facility and adjacent land for the relocation of Borrower's Auburn Gresham campus and, potentially, to finance improvements to two other of the Borrower's campuses or its administrative headquarters.

Bond proceeds will be used to refund the Borrower's outstanding Series 2003 Bonds issued by the Illinois Development Finance Authority and to repay an outstanding taxable loan with BMO Harris Bank.

Does any Member have any questions or comments?

(No response.)

LENANE: Item 3A: Eric Collins.

Item 3A is a one-time Final Bond Resolution requesting approval for a Beginning Farmer Bond for Eric Collins, who is purchasing 280 acres of farmland located in Wayne County, in an amount not to exceed $533,500. Fairfield National Bank is the purchasing bank for this Conduit Bond.

Any questions or comments?

(No response.)

LENANE: Okay. Item 3B is a one-time Final Bond Resolution requesting approval for a Beginning Farmer Bond for Tyler and Alisha Heyen, who are purchasing 40 acres of farmland located in Montgomery County, in an amount not to exceed $180,000. First National Bank of Litchfield is the purchasing bank for this conduit bond.

Does any Member have any questions or comments?

CHAIRMAN ANDERBERG: Okay. Thank you, Pam.

LENANE: Sure.

CHAIRMAN ANDERBERG: I would like to request a motion to pass and adopt the following New Business Items: 2, 3A and 3B.

Is there such a motion?

GOETZ: So moved.

JURACEK: Second.

CHAIRMAN ANDERBERG: There's a motion and a second.

Will the Assistant Secretary please call the roll?

FLETCHER: On the motion and second, I'll call the roll.

Mr. Fuentes?

FUENTES: Yes.

FLETCHER: Mr. Goetz?

GOETZ: Yes.

FLETCHER: Mr. Heller?

HELLER: Yes.

FLETCHER: Ms. Juracek?

JURACEK: Yes.

FLETCHER: Mr. Knox?

KNOX: Yes.

FLETCHER: Mr. McCoy?

McCOY: Yes.

FLETCHER: Mr. O'Brien?

O'BRIEN: Yes.

FLETCHER: Mr. Poole?

POOLE: Yes.

FLETCHER: Ms. Smoots?

SMOOTS: Yes.

FLETCHER: Mr. Zeller, via audio conference?

ZELLER: Yes.

FLETCHER: And Mr. Chairman?

CHAIRMAN ANDERBERG: Yes.

FLETCHER: Mr. Chairman, the motion carries.

CHAIRMAN ANDERBERG: Okay. Thank you.

LENANE: Item 4 on the Agenda is the Fire Truck and Ambulance Revolving Loan Program. This is a subject-matter update only, on the Fire Truck and Ambulance Revolving Loan Program.

On August 6, 2018, the Office of the State Fire Marshal opened up applications for loans under the Program. Our process will begin once OSFM delivers the applications to us. We will keep you advised as the process moves along.

Does any Member have any questions or

comments?

(No response.)

LENANE: Okay.

CHAIRMAN ANDERBERG: Thank you, Pam.

LENANE: Thank you.

CHAIRMAN ANDERBERG: Ms. Granda?

GRANDA: Good morning, everyone.

Due to the short time between July 31st, the Board Book printing, and some vacation time, the Financial Statements were not ready. I will be presenting the preliminary financial numbers for July 31st, 2018.

In July, the Authority generated $190,000 in operating revenue, which is $112,000 lower than the monthly budgeted amount of 302 -- $302,000.

In July, the Authority recorded nonoperating revenues of $49,000, which is $26,000 higher than the monthly budgeted amount of $23,000.

In July, the Authority recorded operating expenses of $296,000, which is $117,000 lower than the monthly budgeted amount of $413,000. So our total monthly net loss for July is $56,000.

Again the information is preliminary

and subject to change. The final numbers for July will be presented in the September Board Meeting.

As for Fiscal Year 2018, our final numbers are as follows: Our total annual revenues are $4.9 million. Our total annual expenses are $3.9 million, and our total transfers from the Intermediary Relending Program and the Renewable Energy Development Fund are $2 million, which brings our total net income for Fiscal Year 2018 for $3 million.

Are there any questions on the financial information I just presented?

O'BRIEN: Where is it? I can't find it in my handout.

GRANDA: No. I just said that. I --

O'BRIEN: Oh, I missed --

GRANDA: I didn't have a chance to present it. So I'm just giving the preliminary information.

O'BRIEN: So you'll be circulating it to us eventually?

GRANDA: I will present it in the September Board Meeting, the July and August financial information.

O'BRIEN: All right. Thank you.

GRANDA: So for the month of July, there is no job reports. This is due to the projects -- the project that closed in July, there were no jobs generated, just for your information only.

Looking ahead, our projected First Quarter Conduit Bond closing fees is estimated to be about $500,000.

In the FY 2019 Revenue Budget, we have included two health -- two new health programs. I wanted to inform the Board that these two programs are still being developed.

Is there any questions?

(No response.)

GRANDA: Thank you.

CHAIRMAN ANDERBERG: Okay.

FLETCHER: Next, I believe is the Monthly Procurement Report.

FRANZEN: Good morning, Mr. Chairman and Members of the Board.

The staff continues to work on the RFP for the financial advisory services. The items on page 1 of the Procurement Report supports the Authority operations, and the remainder of the report includes just the expiring projects through this calendar year.

Any questions?

(No response.)

FRANZEN: Thank you.

CHAIRMAN ANDERBERG: Thank you.

Okay. Does anyone wish to make any additions, edits or corrections to the Minutes from July 10th, 2018?

(No response.)

CHAIRMAN ANDERBERG: Hearing none, I would request a motion to approve the Minutes.

Is there such a motion?

JURACEK: So moved.

FUENTES: Second.

CHAIRMAN ANDERBERG: We have a motion and a second.

All those in favor?

(Chorus of ayes.)

CHAIRMAN ANDERBERG: Opposed?

(No response.)

CHAIRMAN ANDERBERG: The ayes have it.

Is there any other business to come before the Members?

(No response.)

CHAIRMAN ANDERBERG: Hearing none, I'd like to request a motion to excuse the absences of Members unable to participate today.

Is there such a motion?

FUENTES: So moved.

McCOY: Second.

CHAIRMAN ANDERBERG: We have a motion and a second.

All those in favor?

(Chorus of ayes.)

CHAIRMAN ANDERBERG: Opposed?

(No response.)

CHAIRMAN ANDERBERG: The ayes have it.

Is there any matter for discussion in Closed Session today?

(No response.)

CHAIRMAN ANDERBERG: Okay. Hearing none, the next regularly meet- -- scheduled meeting will be September 11th, 2018.

CHAIRMAN ANDERBERG: I'd like to request a motion to adjourn.

Is there such a motion?

GOETZ: So moved.

FUENTES: Second.

CHAIRMAN ANDERBERG: A motion and a second.

All those in favor?

(Chorus of ayes.)

CHAIRMAN ANDERBERG: Opposed?

(No response.)

CHAIRMAN ANDERBERG: The ayes have it.

Thank you, everybody, for coming today. We'll see you next month.

FLETCHER: The time is 9:54 a.m.

(Whereupon the matter above was adjourned.)

ILLINOIS FINANCE AUTHORITY
VOICE VOTE
APPROVAL OF REQUEST TO PARTICIPATE VIA AUDIO CONFERENCE
ADOPTED

August 14, 2018

10 YEAS		0 NAYS		0 PRESENT	
E	Bronner	Y	Juracek	Y	Poole
Y	Fuentes	Y	Knox	Y	Smoots
Y	Goetz	Y	McCoy	NV	Zeller (via audio conference)
Y	Heller	E	Obernagel	Y	Mr. Chairman
E	Horne	Y	O'Brien		

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
VOICE VOTE
AUGUST 14, 2018 AGENDA OF THE REGULAR MEETING OF THE MEMBERS
ADOPTED

August 14, 2018

11YEAS 0 NAYS 0 PRESENT

E	Bronner	Y	Juracek	Y	Poole
Y	Fuentes	Y	Knox	Y	Smoots
Y	Goetz	Y	McCoy	Y	Zeller (via audio conference)
Y	Heller	E	Obernagel	Y	Mr. Chairman
E	Horne	Y	O'Brien		

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
ROLL CALL
RESOLUTION 2018-0814-TE01
501(c)(3) REVENUE BOND – OSF HEALTHCARE SYSTEM
FINAL (ONE-TIME CONSIDERATION)
PASSED

August 14, 2018

10YEAS		0 NAYS		0 PRESENT	
E	Bronner	Y	Juracek	Y	Poole
Y	Fuentes	Y	Knox	Y	Smoots
NV	Goetz	Y	McCoy	Y	Zeller (via audio conference)
Y	Heller	E	Obernagel	Y	Mr. Chairman
E	Horne	Y	O'Brien		

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
ROLL CALL
RESOLUTION 2018-0814-TE02
501(c)(3) REVENUE BOND – PERSPECTIVES CHARTER SCHOOL
FINAL (ONE-TIME CONSIDERATION)
PASSED*

August 14, 2018

11YEAS		0 NAYS		0 PRESENT	
E	Bronner	Y	Juracek	Y	Poole
Y	Fuentes	Y	Knox	Y	Smoots
Y	Goetz	Y	McCoy	Y	Zeller (via audio conference)
Y	Heller	E	Obernagel	Y	Mr. Chairman
E	Horne	Y	O'Brien		

* – Consent Agenda
E – Denotes Excused Absence

NO. 3A

ILLINOIS FINANCE AUTHORITY
ROLL CALL
RESOLUTION 2018-0814-TE3A
BEGINNING FARMER REVENUE BOND – ERIC COLLINS
FINAL (ONE-TIME CONSIDERATION)
PASSED*

August 14, 2018

11YEAS | 0 NAYS | 0 PRESENT

E	Bronner	Y	Juracek	Y	Poole
Y	Fuentes	Y	Knox	Y	Smoots
Y	Goetz	Y	McCoy	Y	Zeller (via audio conference)
Y	Heller	E	Obernagel	Y	Mr. Chairman
E	Horne	Y	O’Brien		

* – Consent Agenda
E – Denotes Excused Absence

NO. 3B

ILLINOIS FINANCE AUTHORITY
ROLL CALL
RESOLUTION 2018-0814-TE3B
BEGINNING FARMER REVENUE BOND – TYLER AND ALISHA HEYEN
FINAL (ONE-TIME CONSIDERATION)
PASSED*

August 14, 2018

11YEAS 0 NAYS 0 PRESENT

E	Bronner	Y	Juracek	Y	Poole
Y	Fuentes	Y	Knox	Y	Smoots
Y	Goetz	Y	McCoy	Y	Zeller (via audio conference)
Y	Heller	E	Obernagel	Y	Mr. Chairman
E	Horne	Y	O'Brien		

* – Consent Agenda
E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
VOICE VOTE
JULY 10, 2018 MINUTES OF REGULAR MEETING OF THE MEMBERS
ADOPTED

August 14, 2018

11YEAS		0 NAYS		0 PRESENT	
E	Bronner	Y	Juracek	Y	Poole
Y	Fuentes	Y	Knox	Y	Smoots
Y	Goetz	Y	McCoy	Y	Zeller (via audio conference)
Y	Heller	E	Obernagel	Y	Mr. Chairman
E	Horne	Y	O'Brien		

* – Consent Agenda
E – Denotes Excused Absence